# THE FINANCIAL POST

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## The Nation's Business

Community Pressure Barrier to Needed Rail Abandonments

Can C.I.O. Really Speed Social Justice for Workers?

Western Pools Now Admit Chief Policies Were Wrong

### Local Politics and the Railway Problem

CANADA'S railway transportation needs can be efficiently met with 5,000 miles less of line under amalgamation, according to Sir Edward Beatty. No one has provided the public with an estimate of just how much line can be abandoned with the two transcontinental systems operating on an independent basis. Admittedly the Dominion has too much mileage for its own good. The Duff and other commissions have said so.

Naturally the C. P. R. or the C. N. R. are not anxious to give up lines that represent a large capital outlay in the first instance, even if they require a large outlay in maintenance and servicing. Nevertheless, since the Duff report was made public about four years ago, the two systems have made application to the Board of Railway Commissioners for leave to abandon over 730 miles of track. These proposals have been made only after close study as to the present and future economic value of the trackage involved. What has happened?

Applications covering nearly one-half of the mileage have been turned down. It would appear that political and social representations made to the Board by local interests have outweighed the economic arguments advanced by the applicants. That being the case, little headway can be made in shrinking Canada's railway mileage to what the country can afford or what is absolutely necessary, if the final decision is to be predicated upon local pride rather than upon commercial necessities.

* * *

### The C.I.O. and the Worker

INDUSTRY is a partnership and every worker is a partner, who should be treated as such. The workingman is a risk bearer just as is the owner. He may not have his capital invested in the business, but he has his earning power invested in it. If he is to take the risk of unemployment in poor times, he must be given a larger share of the profits in good times, whether in increased wages, in the establishment of wage reserve funds, in the form of protection in sickness and other emergencies or in other ways.

Executive heads of most companies recognize and support this viewpoint. Those who do not are heading into trouble, for society insists upon a greater measure of liberality and justice in its social relationships.

* * *

AN IMPORTANT issue today in Canada is whether or not John L. Lewis's very active Committee for Industrial Organization is likely to be a factor in promoting social justice. In a minor degree it may be such, by forcing backward employers to line up with the more progressive ones in establishing fair and just conditions of work for their men and women. But there are not as many backward employers as many people think. The price of their education should not be the destruction of understanding and peace over the wider range of industry and commerce as a whole.

No sensible person will believe for long that men with records of law-breaking and trouble making, and with outsize ambitions to achieve political and industrial dictatorship on an international scale, are going to do very much to promote permanent social justice. They are out for themselves, to increase their own earnings out of the pockets of workers to build up their own power. To accord them recognition as spokesmen for the rank and file of Canadian workers is to sow dragon's teeth and reap a crop of ruthlessly destructive influences.

* * *

A GOOD many of the C. I. O. leaders have about as much unselfish and genuine sympathy for the ordinary worker as General von Goering has for the "little man" in Germany; as Trotsky has for the Ukrainian peasant; as Aimee Semple MacPherson has for the lowly members of her flock; as the crooked Huey Long had for his simpleton followers.

The tragedy of the present labor situation in Canada is that the Committee for Industrial Organization, in its campaign for power, makes little distinction between the enlightened employer and the firm that is backward in its labor relationships. The C. I. O. is out for a dictatorship; betterment of the position of workers is more its battle-cry than its primary aim.

* * *

RECENTLY the head of a large Canadian industry was asked if he would receive a delegation of his employees to discuss the subject of recognition of a C. I. O. union. He agreed. When the delegation arrived the employees were accompanied by an agent of the union, a man with a very unpleasant record as a trouble-

(Continued on page 2, col. 3)

# Union Gas Co. Directors Ask Stock Proxies

## Eight Directors Oppose Geologist's Removal Proposals

### SPECIAL MEETING

Four developments of major importance for investors in Union Gas Co. of Canada, have occurred in the past few days, as follows:

1. President S. A. Morse reports net profits for the year ended March 31, 1937, at approximately $1.13 a share, before income tax, compared with 55 cents a share, after income tax, in the preceding year.
2. A dividend of 15 cents a share has been declared payable June 15 to shareholders of record May 22, raising the annual rate from 50 to 60 cents a share.
3. A special general meeting of shareholders has been called for June 8 at Toronto.
4. A letter has been mailed to shareholders signed by eight of the nine directors requesting proxies for the special meeting which has been requisitioned by one director, Eugène Coste, Toronto.

The special meeting has been called on account of a requisition served on the company by Eugène Coste to consider removal from office and replacement of "one or more of the directors." Apparently it would be possible for shareholders at the meeting to remove Eugène Coste from the board as well as any other directors.

#### Proxy Seekers

The eight directors who request shareholders by letter for proxies, as an expression of confidence in the management, are: S. A. Morse, president; D. A. Coste, first vice-president; R. L. O'Brian and D. P. Rogers, vice-presidents; W. J. K. Vanston, Arthur F. White, W. L. Duffield and C. M. Kennedy.

In their letter, dated May 17, 1937, the eight directors state that Eugène Coste himself, and through his son Frank Coste, has obtained signatures of shareholders requiring the special general meeting. Expressing the view that criticisms by Eugène Coste are unfounded, the letter explains to shareholders the relationships giving rise to the current proxy campaign as follows:

"Eugène Coste has on several occasions expressed his wish to be elected chairman of the board and has also indicated to certain directors a desire to be president of the company. Your directors did not see fit to appoint him to either position.

#### Acted as Geologists

"Eugène Coste and his son, E. Frank Coste, are partners of the firm of Eugène Coste and Co., which has been employed for many years as the geologists of your company. In that capacity they have had access to all records, maps and other private and confidential information with respect to your company's gas fields and drilling operations.

"In Jan., 1936, E. Frank Coste, while still in the pay of your company as one of its geologists, presented to your company and one of its Hamilton subsidiary companies a claim for commission for services rendered in connection with certain bond refunding operations. Your directors, other than Mr. Eugène Coste, refused to pay the claim and E. Frank Coste thereupon brought a lawsuit against your company and the Hamilton subsidiary for the sum of $75,000. The action went to trial and judgment has not yet been given.

"A few weeks after this lawsuit was started Eugène Coste formed a new company called Volcanic Gas and Oil Co., Limited, for the apparent purpose of engaging in business similar to that carried on by your company. Your directors discussed this new company with Eugène Coste at a meeting held on June 4, 1936, and he admitted that he was, through this new company, entering into a business which might become competitive with that of your company. Your directors protested this action not only because of the confidential position of his firm as geologists of your company, but also because these activities would be in direct conflict with the business of your company of which, as a director, he may be said to be a trustee. Eugène Coste stated that he intended to proceed with the operations of this new company whether the

(Continued on page 2, col. 3)

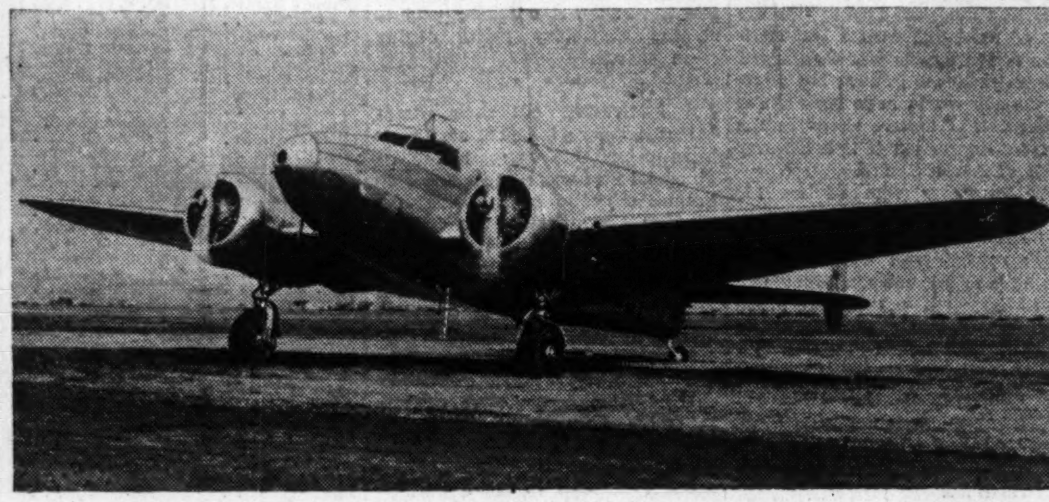
# More Power For Saguenay

## Company Completing New 45,000-h.p. Unit at Isle Maligne

**From Our Own Correspondent**

MONTREAL. — Saguenay Power Co. is now completing its Isle Maligne hydro-electric station by the installation of a twelfth 45,000 h.p. generating unit, which is expected to be in operation next September. With this new machine the installed capacity of the station will become 540,000 h.p., making it one of the largest, if not the largest, single hydro-electric power station in North America.

The current installation is being made not for the purpose of increasing the amount of available all-year-round power, but to make possible a better control of system frequency, a necessary requirement of the large industrial power users. The new unit may also be used during high-water periods to generate surplus power to use in electric boilers, which will reduce the necessity for importing coal.



*BLAZING THE TRANS-CANADA TRAIL*

This is the new Lockheed 12-A delivered recently to the Department of Transport and forerunner of the huge, high-speed machines which will shortly link Canada in a coast-to-coast airway chain.

Delivery of this ship was taken from Fairchild Aircraft, Ltd., Canadian Lockheed distributors, at St. Hubert airport. The ship had been flown from Los Angeles. It will shortly start a test flight of radio beacons and other communication systems along the trans-Canada route.

It has a top speed of 245 miles per hour and a cruising speed of 212 miles at 11,000 ft. The plane is lettered CF-CCT and has the words "Department of Transport" painted on its nose.

# Abitibi Reorganizing Scrap May Drag Through Courts

## Large Shareholders Will Fight Legal Battle Against Foreclosure

By C. W. STOLLERY
Investment Editor, The Financial Post

The Abitibi scramble has just started.

The words "just started" are used advisedly because there is every prospect either of protracted legal dispute or renewal of lengthy negotiations for compromise between bondholders and shareholders before the company gets out of its present receivership.

It is understood that large holders of the common shares are prepared to fight any Abitibi reorganization into the highest courts, even to the Privy Council, if the equity of the shares is drastically reduced. Equity holders report that the Ontario government may put a time limit of 12 months on completion of the bondholders' plan. By fighting any reduction of the equity through the courts the shareholders may attempt to stop any scheme and establish their contention that the company can be returned to solvency without reorganization at all.

Reliable information indicates that the official preferred shareholders' committee, headed by Lieut.-Col. Herbert Molson, Montreal, may line up in favor of the forthcoming reorganization plan of the bondholders' committee. But some large holders of preferred shares appear likely to be opposed to the bondholders' plan, contrary to the preferred stock committee.

The Wood, Gundy & Co. offer for reorganization discloses the nature of the legal battle that appears to be developing.

It is a technical matter of the highest importance whether the company will be reorganized through the Companies' Creditors Arrangements Act and the Companies Act, as provided in the Wood, Gundy scheme; or through the Ontario Judicature Act, as in the case of the Great Lakes Paper Co. foreclosure and judicial sale, which is the method favored by bondholders.

The varying opinions on how the claims of bondholders and shareholders should be treated in reorganization, if indeed there is to be a reorganization at all, illustrates the different interests that lie behind the legal manoeuvering.

First in the scheme of things from the investor's viewpoint is the huge Abitibi capitalization as follows:

**Abitibi Power & Paper Capitalization**

| | $ |
|---|---|
| 5% 1st mortgage bonds due 1953 | 48,267,000 |
| Approx. interest arrears ... | 16,471,000 |
| 7% preferred stock, $100 par .. | 1,000,000 |
| Divd. arrears Dec. 31, 1937 | 437,500 |
| 6% preferred stock, $100 par . | 34,881,800 |
| Divd. arrears Dec. 31, 1937 | 13,604,000 |
| Com. stk., no par value .. | 1,088,117 shares |

Against this must be set the receiver's balance sheet, which shows total net assets available for bondholders and shareholders of approximately $117.2 millions at Dec. 31, 1936. The total of nearly $115 millions in claims of bondholders and preferred shareholders would absorb nearly the full balance sheet value leaving next to nothing for the common shares. The maximum value placed on all the Abitibi securities at the highest market prices this year is approximately $99.4 millions, which is less than the claims of bonds and preferred shares.

#### Viewpoint of Shareholders

Holders of common shares do not look on the Abitibi situation on the basis of balance sheet values which they regard as largely nominal and certainly debatable. Neither do some holders of preferred stock. Rather these equity holders believe the crux of the Abitibi situation is in a great prospective increase in earnings. These shareholders do not see why they should not participate to a major degree in the improved earnings that they forecast freely.

There is unanimity of opinion on what the bondholders should get but not on the question of how they should get it. The essential agreement on the rights of bondholders is that they are entitled to every cent they have lent to the company, both principal and unpaid interest, plus interest calculated at 5% on the whole sum, amounting, in all, to $64¾ millions by the end of 1937.

The question of how bondholders' claims are to be satisfied is complicated by the company's need for additional capital not only for current operating purposes but for rehabilitation of properties and equipment.

The bondholders' committee has worked out a reorganization plan after months of investigation and negotiation with the parties interested in Abitibi including the Ontario Government and also representatives of shareholders.

The bondholders' plan is expected to make its appearance in the near future, and although details have not been revealed, the proposals are expected to provide some $14 millions of new working capital and to give effective control of the company to the bondholders. The proportion of new equity securities to go to preferred and common shareholders is expected to be comparatively modest.

Accompanying the bondholders' plan is an engineering report bigger than a family Bible and weighing several pounds.

The principles of the bondholders' proposals are understood to rest largely on these engineering reports for appraisal of the company's working capital requirements.

Convinced that as much as $14 millions may be needed, the bondholders' committee proposes to borrow the money through issue of new prior lien bonds.

Obviously that would put the present bonds in the position of a second mortgage. And in compensation for this loss of security the bondholders' committee considers it only reasonable that the present 5% bonds should be given a claim on the bulk of new common shares which may be issued.

For many months the Ontario Government has wanted to get Abitibi out of receivership and there appears to have been some official encouragement of the work of the bondholders' committee toward reorganization. By the time the plan is presented, therefore, it may have the unofficial sanction of cabinet minister.

The offer of Wood, Gundy & Co. for a reorganization of Abitibi establishes a basis for legal argument over the method of handling any plan in the courts.

The offer proposes to raise $9 millions of working capital by sale of serial first mortgage bonds. Then $600 of new 20-year first mortgage bonds would be given for each present $1,000 bond; plus $741.25 of convertible income bonds. This would give full face value for the claims of bondholders at Dec. 31, 1937. But major bondholders object to the idea of accepting income bonds which they feel might continue to bear the

(Continued on page 4, col. 3)

# *Canadian Canners Resumes Dividend*

A dividend of 15 cents a share has been declared on the second preference, convertible shares of Canadian Canners Ltd. This payment will be made on July 1, 1937.

The last previous payment on this stock was 7½ cents a share paid on July 2, 1935.

# Suggest Plan Move Industry To Dominion

## Ottawa Hears Large-scale Industrial Migration Possible

**Special Cable to The Financial Post From Our Own Correspondent**

LONDON. — It is not possible here to obtain any confirmation of the Ottawa rumor that Britain has offered to assist in the transfer to Canada of certain key export industries.

Members of the Canadian delegation to the Imperial Conference, who ought to be well informed on all moves of such a character, state that the matter has not come to their attention.

* * * *

### CANADA AS CENTRE

**From Our Own Correspondent**

OTTAWA.—Will Canada emerge from the present Imperial Conference with a new importance as the future industrial centre of the British Empire?

#### Transplant U. K. Industries

As official Ottawa gets the story in the reports which come from the Canadian delegation in London, the authorities have the broad outline of a plan in readiness for submission to Canada whereby whole British industries with their workers would be transplanted to this country. Suggested motives behind such a plan include:

(1). The greater convenience of Canada as a shipping centre for export business to the rest of the Empire, in view of the growing importance of the Pacific markets and of the fact that in these markets Japan, partly because of its closer proximity, has been steadily ousting British goods.

(2). The advantage of cheap manufacturing power, together with an abundance of readily accessible raw materials, which Canada offers.

(3). The pressure of population in the larger industrial centres of the Old Land.

# Labor Troubles Soar; Industry Gives Answer

Labor troubles in Canada during April reached an 18-year high mark. Strikes and lockouts reported to the Federal Government labor office were at the highest point since the Winnipeg general strike of 1919. Apart from this strike, the April figures have only been exceeded once, namely in May, 1920, in so far as number of strikes in progress. They are a record as far as number of workers and time loss involved. Actual figures for the month showed 38 strikes or lockouts involving 13,097 workers and a time loss of 148,677 man days.

As already pointed out in The Financial Post, the majority of these disputes involved questions of union recognition rather than of wages and working conditions. This is by far the most outstanding problem facing Canadian business at the present time. It is a problem that promises to dominate the industrial scene in this country for many months to come.

For many weeks The Post has been canvassing the views and opinions of Canadian industrial leaders on this vital question. Next week we will publish the first of some special articles setting forth the views and opinions of men who have in their employ tens of thousands of workmen in every trade and occupation.

These articles will be of compelling interest to employee and employers. Be sure not to miss them. Starting next week in The Post.

There will be further important news and views from The Post correspondents at the Imperial Conference and a special investment feature discussing the plight of bond and shareholders under existing Canadian machinery for handling company reorganizations. If you are one of those who feel you have been handed the wrong end of the stick in a company reorganization you will find this article of very practical value and interest.

# Liberals Plan Alberta Drive On June 5

## Gird Loins for Battle as End of Social Credit Looms

### NO COALITION

**From Our Own Correspondent**

OTTAWA. — Parliament Hill believes that the end of the Aberhart regime in Alberta is finally in sight.

Hon. J. G. Gardiner, who, in addition to being Minister of Agriculture, is the "big boss" in the Liberal Party in both Saskatchewan and Alberta, has just returned from looking over the situation in the Foothills province.

The result of his survey is the calling of a provincial Liberal Convention to meet in Alberta on June 5, for the purpose of choosing a provincial leader and setting up a fighting political organization.

#### Time for Battle

This means that, in the seasoned judgment of the politically experienced Mr. Gardiner, the time has come for Liberalism to buckle on its armor and come out into the open to do battle with Mr. Aberhart and Social Credit.

Furthermore, so confident are the Federal Liberals of the outcome provided only that sufficient time intervenes before an election to enable them to mend their political fences, that they are refusing to enter into any coalition with any other party to defeat the Aberhart forces. The suggestion had been put forward of the formation of a so-called "People's Party" out a merger of the Conservative and Liberal remnants. From his observations on his recent trip, however, Mr. Gardiner is understood reliably to have advised the provincial Liberal party against such a course. And his advice is certain to be accepted.

#### People's Party Dead

The movement for a "People's Party" to crusade against Mr. Aberhart, accordingly, may be regarded as dead. Mr. Gardiner's objection to it is reported to have been the obvious mortgage and loan interests which were associated with the movement. Calgary and Edmonton lawyers whose affiliations were well known were in the forefront of the scheme, and the Gardiner view is said to have been the belief that even such a name as "The People's Party" was insufficient camouflage for these interests.

#### Gray May Lead

From the present outlook, it would seem highly likely that the Liberal choice as gladiator to oppose Mr. Aberhart would be A. L. Gray. The question is by no means decided, however, and one of the most hopeful signs in connection with the whole reawakened Liberal optimism is the healthy rivalry which is being waged for the post of provincial

(Continued on page 2, col. 1)

# J. E. Hammell Gets 9 Claims At Red Lake

## Plans to Develop McIntyre-Porcupine Group Himself

John E. Hammell's personal funds will back the development of McIntyre Porcupine's group of nine claims at Red Lake in the Patricia district of Ontario. Mr. Hammell has taken over McIntyre's Red Lake group, formerly 90% held by McIntyre Porcupine, and announces that he will develop the property himself until it reaches the stage when milling facilities are necessary, when it may be turned into a public company.

McIntyre Red Lake consists of 389 acres and economical power is available, the Hydro power lines passing through the property on the way to Madsen Red Lake. Surface work and intensive diamond drilling are planned, after which a three or four-compartment shaft will be sunk to the 525-ft. level and 1,000 ft. of lateral work done upon each of four levels at 125, 250, 375 and 500 ft.

#### Previously Tested

McIntyre, in doing surface work and diamond drilling some years ago on the Red Lake claims, defined an important ore body, which at the present price of gold is rated at about $14 per ton. Ben H. Budgeon, director of mining for the Hammell interests, will supervise development of the new property. Work will start as soon as men and supplies are assembled.

Mr. Hammell, it will be recalled, said at the last annual meeting of Howey Gold Mines that Howey, by failing to acquire the McIntyre property, had missed an opportunity to secure holdings of potential value to it. The figures he gave to show the property's possibilities were disputed by Ed. Futterer, Howey's consulting engineer.

The deal through which the Hammell interests acquired McIntyre Red Lake closely follows Howey's annual meeting. It is reported that a prominent engineer will shortly be appointed manager of the property.

### WHOLESALE INDEX

Weekly wholesale price index of the Dominion Bureau of Statistics recorded a slight decline in the week ended May 14, standing at 84.7 against 85.2 for the week ended May 7.

# *Gold Issue Is Faced As Empire Leaders Seek Recovery Plan*

## Premier King States Problem at Opening—Conference Looks to Canada

### MAY BE ON SPOT

By H. NAPIER MOORE
Editor, Maclean's Magazine
Special Cable to The Financial Post

LONDON.—This is a family party. The prime ministers of the different Dominions are carrying on conversations with one another and with the statesmen of the United Kingdom in a conference that is as intimate as it is important.

H. NAPIER MOORE

Yet it is a family party with a large and watchful audience consisting not only of the people of Britain but the newspaper correspondents from other parts of the Empire.

Keeping a watchful eye upon what is going on are the key foreign correspondents of the great newspapers of the continent of Europe and the United States. In particular, the German editors and correspondents who are in London are surveying developments from day to day with the keenest interest. These men realize that upon the decisions of this conference may depend the peace of the world; not only upon the decisions in regard to Empire defense, but also—and more particularly—upon the decisions in connection with economic policies.

#### Mr. King Sounds Keynote

It was with the greatest interest that observers from countries outside the Empire heard Prime Minister King's references to "economic appeasement" as the guarantor of peace.

Mr. King seems to have sounded the keynote for the conference deliberations. His strongly expressed conviction that "the political tension will not lessen without an abatement of the present policies of economic nationalism and economic imperialism" rang forth as a clarion of hope to a bitterly unhappy and hungry Europe.

#### Foreign Affairs

The conference has opened, as an intimate family party should, in the "Sit-down-and-draw-up-a-chair" manner that so well befits pipe-smoking Englishmen and casual overseas ministers. The first major move was made, in the informal sessions, by Rt. Hon. Anthony Eden, when he gave to the heads of the Dominion delegations a frank report of the foreign situation and an explanation of Britain's attitude toward the many pressing problems of the day in the international sphere.

This was a prelude to the impressive display of British naval strength that was given when the overseas delegates witnessed the review of the fleet off the Isle of Wight.

The conference has already organized itself into suitable committees dealing with foreign affairs, economic problems, shipping, air communications and constitutional problems.

Rt. Hon. Walter Runciman within a few days will communicate to the

(Continued on page 2, col. 6)

## Near-term Price of Gold Casts Shadow Over Empire Meet

### U. K. OPPOSES CUT

Additional reports on the Imperial Conference will be found on page 15.

**Special Cable to The Financial Post From Our Own Correspondent**

LONDON.—Canadian delegates to the great gathering of Imperial statesmen have not yet been let into the secret thoughts of the British Government on the all important subject of trade as a factor in world recovery.

Prime Minister King for Canada has taken the first available opportunity to make it quite clear that Canada views increased world trade as the only safe highway to recovery and insured peace. Those who speak for the United Kingdom Government have cannily refrained from committing themselves. Nevertheless, the Canadian delegation holds high hopes that before the conference has closed a challenging resolution on the lines of the Roosevelt-Hull programme for freer international trade and capital movement will be forthcoming from the conference. Their confidence is in part based upon the growing tension in the monetary sphere, that can be removed only by Anglo-U.S. co-operation.

#### Gold and Armaments

It is apparent that two dark shadows hang over the conference and are creating conditions that make it necessary for Mr. Baldwin and Mr. Chamberlain to move with the greatest care and circumspection.

One of these is uncertainty as to the near-term future of gold, and the other is the financial consequences of the rearmament programme.

The British Treasury has made it unequivocally clear to the United States Government that it is firmly opposed to any reduction in the price of gold at the present time.

#### London's View

The view of the London authorities is that in the present nerve-ridden financial atmosphere of the world, any tinkering with the policy of maintaining a firm market for gold at present prices would be disastrous. London recognizes that in buying gold at a fixed figure the United States has given the world an anchor to which to tie its currency system. The United States has helped to underwrite recovery and the British nations have been among the prime beneficiaries. But London feels that, having carried on for so long with the policy, the United States must not now abandon it.

London was just as much impressed as Washington by the fact that merely the rumors of a change in the price of gold had a most upsetting effect and produced world-wide repercussions that were startlingly abrupt and distressing in their nature. Particular reference is made to the fact that these effects were observed even in the face of denials from Washington that any action on gold was contemplated.

#### Deflation Feared

The effect of a reduction in the price of gold, as high official circles in London envision it, would be to initiate a new and very vicious spiral of deflation. There would almost certainly follow a devastating decline in all commodity prices, but particularly in the prices of the more sensitive raw materials and foodstuffs.

All farm products, including cotton in which the United States has such a vital interest, would inevitably decline and the result would be a new cycle of government deficits, particularly in the raw material countries such as Canada, Argentina, Brazil, Australia, etc.

#### Effect on Trade

British officials point out that if the United States alone were to revalue gold the effect upon the export trade of that country would be ruinous. British opinion refuses to believe that there is any substantial basis for the rumors of a reduction in the price of gold. But recognizing the difficulties that face the United States in carrying on almost single-handed the maintenance of a fixed market price for gold and the "sterilization" of that proportion of it which cannot, for anti-inflationary reasons, be allowed to get into the United States banking and currency system.

The British Government has made it known that it is prepared to carry an increasing share of the burden of managing the world's embarrassing overload of gold. The British Exchange Stabilization Fund has, during the past few days, been taking up some of the strain of maintaining the $35 price by purchasing substantial quantities of gold.

While London does not expect that there will be any change in

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## Highlights

### *Modern Offices*

Basically functional, new offices reflect a streamlined business age in new uses of materials, design, equipment and higher standards of health and efficiency. Special section, Pages 20 to 23

### *Industry-Labor Board*

Ontario's new board is taking shape, headed by E. J. Young, Saskatchewan farmer-parliamentarian. Page 16

### *Turner Valley Score*

Drilling in past 12 months has brought in successful wells, but has it proved the Turner Valley oilfield? Page 11

### *Realty Bondholders*

Overoptimism of the 1920's made the losses of the past few years worse, but real estate bonds are recovering. Page 3

### *Men Behind the Scenes*

Trained experts from Canadian civil service accompany political leaders to the London Conference. Page 15

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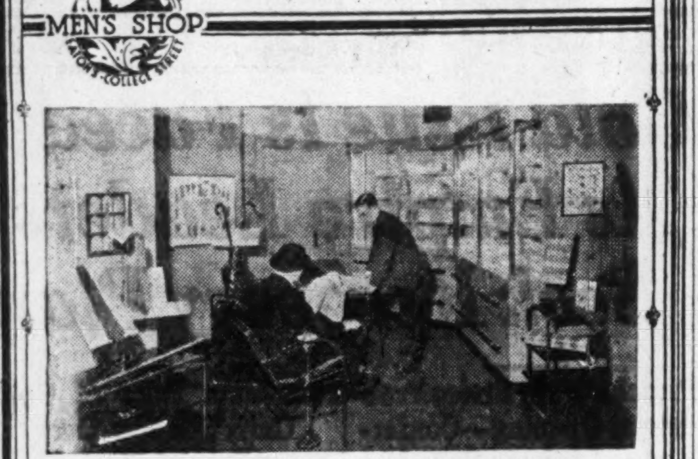
MEN'S SHOP



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EATON'S-COLLEGE STREET

## *Liberals Preparing For Alberta Drive To Battle Aberhart*

(Continued from page 1)

chieftain. The situation is in striking contrast to the willingness to allow the position to go by default a year or so ago, when it was made vacant by the appointment of W. R. Howson to the Alberta Supreme Court bench.

Mr. Gray is rumored, however, to have won Mr. Gardiner's approval for the office. A graduate of the Manitoba Agricultural College, he is an individual of high reputation and considerable experience in Albertan affairs. For some period he was in the agricultural service of the province and, under the late Brownlee Government, he was named deputy minister of municipal affairs, a position which he resigned after the U.F.A. ministry's defeat.

Immediately the Southern Alberta Land Co. engaged him to head the extensive irrigation projects which it carries on in the southern part of the province, and the work which he has since done in this position is described as outstanding. A pleasing personality, with a reputation for soundness and practical capacity, he is believed by the Liberals to be of a calibre which would make victory under his leadership a wholly reasonable hope.

**Other Nominees**

There are other individuals in the field, however, who will give Mr. Gray a stout run for his money in the approaching convention. They include Rev. George MacDonald, pastor of the United Church in Edmonton. He is described as an unusually effective platform man and as an able thinker. There is said to be a hesitancy toward choosing him, however, on the grounds that the Liberals might seem to be emphasizing the religious affiliations of Mr. Aberhart.

Then there is Walter Campbell, prominent Edmonton businessman and right-hand man of Hon. Charles Stewart when he was Alberta's Premier. Another name discussed is that of George Clarke, a son of Dr. Michael Clarke, for many years a famous Federal M.P. from Red Deer. Finally, there is Dr. F. W. Gershaw, present Liberal M.P. for Medicine Hat.

WESTERN STEEL PRODUCTS LIMITED

Bondholders - Preferred Shareholders

PROXIES

must be received at Winnipeg unless it is your intention to be present in person at the Re-organization meeting May 31st, 1937.

Notices of Meetings, Deposit regulations and proxy forms and information as to the proposed reorganization are available at any of the offices of the following:—

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# The Nation's Business

(Continued from page 1)

maker, strike-fomenter and Communist official. This man announced himself as chairman of the delegation and was so regarded by the employees.

Certain demands were made by the delegation for the improvement of working conditions, higher wages, shorter hours, etc. As a matter of fact the demands were made in a most perfunctory manner. There was no dissatisfaction among the employees of the company, who are drawing the highest wages in the company's history, working the shortest hours and benefitting from many other plans by which the company has taken its workers into genuine partnership. There was only one real question at issue: whether the company would or would not abandon the employees' council and recognize the C. I. O. union as agent for the employees in collective bargaining. The employees had voted overwhelmingly for such recognition.

The circumstances outlined above have been repeated in scores of Canadian industrial plants in recent weeks.

• • •

AT FIRST glance it would seem that any company ought to be willing to let the employees determine by ballot who should represent them. That is the Myron C. Taylor formula in U. S. Steel, and the view that most employers would like to take. If that were all there were to the present fight against the C. I. O. the issue would be quickly settled.

But there is more to the issue than that. The U. S. Steel formula stresses the fact that there should be no intimidation or coercion of employees. C. I. O. agents interpret that to mean that there should be no intimidation or coercion by employers. Many of their own successes are gained by devious methods of coercion and intimidation.

• • •

WORKERS are told that things will be uncomfortable for them if they do not sign up or vote for the union. Agents go into the homes and make tall promises to the womenfolk. That is exactly the way the Aberhart candidates won the Alberta election; the way the western wheat pools put it over on the western farmer in the days when they were run by racketeering politicians.

Aberhart is now slipping rapidly to his doom, but he won the election in 1935. The wheat pools are showing signs of reforming under new leaders, but they swept across the West like a prairie fire in their heyday.

The man or woman who resisted Aberhart was pilloried by his neighbors. The non-pool farmer was the butt of local displeasure and criticism. Aaron Sapiro was then a god as John L. Lewis is now, but western Canada would have been scores of millions of dollars ahead in the years of depression if it had never heard of Aaron Sapiro.

The employer who advises his workers to have nothing to do with the C. I. O. is told that he is an economic royalist and a reactionary, that he is selfish and unenlightened. His independent workers are given small chance, by C. I. O. agitators, to make up their minds free of prejudice and misrepresentation.

• • •

THE C. I. O. fight has little to do with collective bargaining, with industry's more enlightened industrial relations.

The C. I. O. is a labor organization with a very bad record and it is manned by scores of men with equally bad records. Just at the moment it is making sweeping gains and success has gone to its head. There may come a time when C. I. O. will have earned the right to be respected and when it will be worthy of the place as representative of Canadian workers. It has not won that place yet. Until it does, no one need be ashamed of stiffening his backbone against its encroachments.

• • •

### The Placid Pool Admits Its Sins

WHAT appear to be fiery, devouring dragons to the youth on the threshold of life often turn out to be peaceful and useful animals when maturity opens his eyes a few years later. Such ripening transformation, apparently, has taken place in the Western Wheat Pools. Leaders of these organizations, in giving testimony before the Turgeon Grain Commission, admitted that many of their early ideas were impractical, that many of their youthful dragons turned out to be useful friends.

A few years ago the futures market was denounced from every pool platform and any defenders were damned as agents of sinister interests. Paul Bredt, prominent pool executive, now reports making free use of this established marketing machinery.

A compulsory pool, whereby every grower would be forced to sell his grain through one single channel, was upheld by early pool officers as the panacea for all grain ills. Full marketing control, now states Mr. Bredt, would not enable a pool to obtain satisfactory prices during some periods.

• • •

IN POINTING out such simple truths before the pool started to learn through bitter experience, The Financial Post was subjected to continuous criticism from pool propagandists. The Post never opposed the idea of co-operative marketing. We did point out that there was in Canada such efficient grain-handling machinery that co-operative marketing was not essential. We also pointed out that none of the advantages that ordinarily are to be derived from co-operative marketing—such as establishment of grades, joint advertising, better handling methods, growers' control of the product through to the exporter—figured in the wheat situation because there were already such facilities provided or guaranteed.

Nevertheless, The Post argued, if farmers wanted to bind themselves together to market their grain cooperatively in order to obtain an average price, no one had any right to object as such a move was within the farmers' rights. Nor did this paper ever oppose the idea of farmers organizing among themselves to own elevators but it believed that special advantages, in the way of Government loans at less than cost, should not be given to these farmer-owned elevators any more than to privately-controlled ones.

• • •

AT ALL times The Financial Post opposition was directed only to the follies of the pool; their political ambitions; their abusive propaganda; their "holding" policies that offended their customers overseas; their intimidation of non-pool growers; their pronouncements that they could control prices.

Now some at least among pool leaders apparently have recanted and are prepared to settle down as other previous farm organizations have settled down. The Financial Post rejoices that the dangerous, extravagant, boastful and abusive stage of the western wheat pools now appears to be passing. But its rejoicing is also tinged with regret because these early pool excesses were entirely unnecessary and were carried through defiantly in the face of sage counsel.

## *Union Gas Company Directors Ask Proxies As Battle Looms*

(Continued from page 1)

directors of your company objected or not. Under the circumstances the remaining directors concluded that it would be improper for your company to retain the services of Eugène Coste and Co. as geologists, and on its expiry on June 30, 1936, their contract was not renewed.

**Competing Enterprise**

"We are reliably informed that this new company is now drilling near Stratford, about 35 miles from London, which is one of the largest markets of your company, and that the firm of Eugène Coste and Co. has taken leases on a large acreage in Essex county only 15 miles from the heart of the Tilbury field, from which field your company has for many years drawn its main supply of natural gas.

"Shortly after June 30, 1936, Eugène Coste commenced his criticisms of the officers and directors of your company, which has been followed by the requisition for the special general meeting now called."

**Item of $360,000**

In a letter to shareholders dated April 26, 1937, Eugène Coste states that he asked directors to co-operate with him in recovering for Union Gas Co. of Canada $360,000 which he claims was paid out of the Union Gas treasury to be used for paying preferred dividends of a subsidiary company, United Fuel Investments Ltd.

The majority group of eight directors comment on this in their letter stating that the contract which provided among other things for payment of the sum of $360,000 to United Fuel Investments was made in 1931 and was unanimously approved by directors of each company. It is stated that Eugène Coste was not present at the directors' meeting that approved the transaction but that he did not see fit to protest until after five years had elapsed and after his firm's contract as geologists had expired.

**Comment on Earnings**

In the company's note to shareholders advising of declaration of the dividend of 15 cents a share, President S. A. Morse comments:

"While the final audit of the accounts for the fiscal year ended March 31 last is not completed, preliminary figures show consolidated net profits of your company and its wholly owned subsidiaries, after interest and depreciation, but before Dominion income taxes of approximately $800,000, or $1.13 per share."

The annual report will be mailed to shareholders shortly, Mr. Morse states.

## Radio Body To Announce New Policies

### Country-wide Plan to Give Canadian Stations Own Right-of-Way

From Our Own Correspondent

OTTAWA.—If the present meeting of the Board of Governors of the Canadian Broadcasting Corp. in Regina reaches scheduled conclusions, the entire radio picture in Canada will be drastically altered, from both commercial and the entertainment standpoints.

Chairman L. W. Brockington is supposed to be in a position at the close of the board's session to announce details of a "New Deal" for Canadian listeners-in upon which C.B.C. has been working since shortly after its appointment last autumn.

The central feature of the "New Deal," as Federal circles understand it in advance of its announcement, is to be the deliverance of Canadian radio from the dominance of high-powered stations in the United States.

Canadian programmes, in other words, are to be assured the right-of-way over Canadian air.

This epochal result, from the standpoint of the Canadian listener-in, is to be achieved by stepping-up the voltage of key stations across the Dominion, with the rumor, also, of a completely new station in Ontario, higher-powered than any at present in the field and fully capable of competing with any United States rivals.

The "spotting" of more powerful stations right across the country is intended to assure precedence for programmes which C.B.C. may originate and transmit, or bring in and transmit, from foreign countries. At the present time the complaint of radio users throughout Canada is that the powerful stations south of the border frequently "blanket" Canadian programmes which are being presented.

From the standpoint of radio entertainment the Broadcasting Corporation's plans are being heralded in Federal circles as the most important development in radio since it came under Government control. They are also regarded, furthermore, as affecting materially the existing commercial phase of radio.

## Int. Petroleum Co. Production Gains

### Combined With Higher Prices, Conditions Indicate Larger Profits

A combination of increased production with higher prices for crude oil indicates marked improvement in earnings of International Petroleum Co., which amounted to $1.65 a share in the year ended June 30, 1936.

Production of International Petroleum Co. in April totalled 2,882,863 barrels of crude oil in Colombia and Peru. The daily average output was 96,095 bbls., compared with a daily average of 93,390 bbls. in March.

For the first four months of 1937 the company's daily average production has been 95,670 bbls., a marked increase over the daily average of 92,575 bbls. for the full year 1936.

Prices for crude oil of various grades this year have been 10% to 15% above the levels of a year ago.

## Tuckett Tobacco Co.

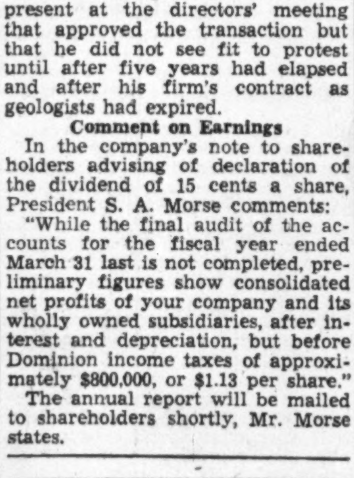
Operating profits of The Tuckett Tobacco Co., Hamilton, showed a substantial increase in the year ended March 31, 1937, as compared with the preceding year Net profits were equal to $31.51 a share on the preference stock against $22.45 in the year ended March 31, 1936. After payment of preference dividends, there was a balance available for the ordinary shares equal to $24.51 a share against $12.37 in the previous year.

**Income and Surplus Account**
**Years Ended March 31**

| | 1937<br>$ | 1936<br>$ |
|---|---|---|
| Oper. profit | 648,952 | 437,504 |
| Less: Exec. salaries | 53,297 | 50,500 |
| Directors' fees | 1,200 | 1,260 |
| Legal expenses | 917 | 296 |
| Depreciation | 36,527 | 38,008 |
| Net oper. profit | 557,011 | 347,440 |
| Add: Inc. from invest. | 158,615 | 152,998 |
| Net earnings | 715,626 | 500,438 |
| Less: Income tax | 85,354 | 51,244 |
| Net profit | 630,272 | 449,194 |
| Less: Pref. dividends | 140,000 | 140,000 |
| Ord. dividends | 475,000 | 300,000 |
| Surplus for year | 15,272 | 9,194 |
| Add: Prev. surplus | 2,195,377 | 2,194,905 |
| Less: Inc. tax adjust. | 14,921 | 8,772 |
| Surplus forward | 2,195,728 | 2,195,377 |

**Working Capital**

| | 1937<br>$ | 1936<br>$ |
|---|---|---|
| Current assets | 3,379,403 | 2,450,839 |
| Current liabilities | 616,681 | 244,431 |
| Working capital | 2,762,722 | 2,206,408 |



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## Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

| Municipal— | Date Sold | Sold to | Rate | Due | Amount | Price | Yield |
|---|---|---|---|---|---|---|---|
| Welland | May | Imperial Bank | 4% | 5-ins. | $8,100 | 100 | 4% |
| Ville de Kenogami Que. | May | La Corp. de Prets de Quebec | 4% | 1938-52 | 790,000 | *100 | ..... |
| Rouyn Sch. Comm. | May | La Corp. de Prets de Quebec | 4½% | 1938-47 | 75,000 | *100 | ..... |
| Dominion— | | | | | | | |
| Canada Treasury Bills | May | | | Aug. 16, '37 | $20,000,000 | 99.818 | .713% |

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

| Bond Issues— | Date Issued | Offered by | Rate | Due | Amount | Price | Yield |
|---|---|---|---|---|---|---|---|
| Loretto Ladies Colleges and Schools, Toronto | May | Harris, MacKeen & Goss | 4% | 1940-52 | $171,000 | 100 | ..... |
| Assumption College | May | Harris, MacKeen & Goss | 4% | 1937-51 | 195,000 | 100 | ..... |
| La Congregation des Filles de Jésus | May | Lagueux & Darveau | 3½% | 1938-49 | 140,000 | 100 | |
| Les Frères du Sacré-Coeur | May | Lagueux & Darveau | 3½%<br>4% | 1938-46<br>1947 | 195,000 | 100 | |
| Les Soeurs de Sainte Marthe | May | Dube, Lehlond & Co. | 3%<br>3½%<br>4% | 1938-42<br>1943-47<br>1948-52 | 270,000 | 100 | |
| La Corporation Archiepiscopale C. R. de Moncton | May | Lagueux & Darveau | 3%<br>3½%<br>4% | 1938-42<br>1943-47<br>1948-54 | 60,000<br>70,000<br>120,000 | 100<br>100<br>100 | |
| Fabrique de la Nativite de la Sainte Vierge | May | La Corp. de Prets de Quebec | 4% | 1938-52 | 200,000 | *100 | |
| Stock Issues— | | | | | | | |
| Anglo-Canadian Drugs | May | John W. Gordon & Co. | | Pref. | 2,000 shs. | 85 | |
| G. W. Hendershot Corrugated Paper Co. | May | Harrison & Co. | | | 15,000 shs. | 12.50 | |

*Offered.

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## *Premier King States Problems of Canada At London Conference*

(Continued from page 1)

conference a summary of his conversations with President Roosevelt of the United States on the subject of a possible Anglo-American trade pact. He will indicate the importance of such a trade agreement as giving leadership to the world in economic disarmament and will indicate the difficulties that have arisen as a result of fixed margins of preference in the Ottawa agreements.

This will open the way for Mr. King to report also upon his conversations with the President, and Secretary of State Cordell Hull. Mr. King will emphasize the view that Canada has shown the way to Britain and the other Empire countries in reconciling Imperial Preference with reciprocal trade agreements with other countries.

**Canada on Spot**

The Canadian delegation may find itself in something of an embarrassing position when Anglo-American trade relations are up for discussion. While the question has not yet been officially raised, in the political correspondence in the Times and the Morning Post there is a noticeable tendency to put the whole question of Empire-U. S. A. relations up to Canada. Canada is, in brief, being told that it ought to explore the whole situation involving the Empire's relations with the United States and report upon the concessions that are necessary if a treaty is to be signed between Washington and London. The natural corollary of this is that if the negotiations for the treaty fall down it will be possible to pin the blame upon Canada and more particularly upon Mr. King and Mr. Dunning.

Mr. King is a dexterous and experienced hand at dealing with similar problems and will undoubtedly decline to be manoeuvred into a position where Canada is to be the "goat" in all the trade discussions.

Canadian delegates are much interested in the proposal made by Prime Minister Lyons of Australia for a regional understanding and non-aggression pact among the countries of the Pacific. But Canada will make the usual reservation that it makes to all collective security and regional pacts; that it must not be expected to guarantee a contribusion to enforcement, by arms, of the terms of the agreement.

## *Gold Problem Emerges As Source of Concern At Imperial Conference*

(Continued from page 1)

the United States buying price for gold, it fully expects that some new international exchange stabilization agreement will have to be arranged and that the solution of the gold impasse will be found in that way.

Analysis of trade figures reveals that the tripartite currency settlement of last September has failed to fulfill the predictions of its more enthusiastic supporters. Instead of being definitely relieved, the financial uncertainty that beclouds the situation in Europe has increased in strength.

It is agreed here that it is necessary to find the answer to the gold and related currency problems in an enlargement of the boundaries of world trade, particularly through restoration of general confidence in the uninterrupted continuation of peace among the nations. Could such a consummation be realized, then inevitably timid, haven-seeking capital would flow out of the United States again and gold would achieve a more effective and just distribution throughout the world.

In the meantime, while confidence is in process of restoration, the tripartite currency agreement requires a good deal of patching up. It is expected that a firmer agreement on gold and currency would be an essential part of the fabric of any United Kingdom-United States trade treaty. The agreement of last September provided only for day-to-day collaboration between London and Washington.

**Rearmament Boosts Prices**

One factor in the situation that makes a more definite monetary understanding between the two leading Anglo-Saxon nations inevitable is that the price level has been rising rapidly in Britain in consequence of the speedy rearmament of the country. Currency stabilization is definitely imperilled. The recent strength of the pound has concealed the inflationary nature of the British programme and, in consequence, currency stabilization is in no immediate peril. But ultimately, as inflation takes hold in Britain, it will become increasingly difficult to hold the pound near parity with the United States dollar.

Viewing the situation, Canadian delegates feel that the circumstances present an overpowering argument for Great Britain to "play ball" with Mr. Roosevelt and Mr. Hull and to seek to use the present gathering of the Imperial clan to promote broader co-operation in the field of monetary management and trade expansion.

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## Economic Investment Revises Directors' Fees

By-law governing the remuneration of directors of Economic Investment Trust Ltd. was changed at the annual meeting on May 18, 1937. Previously capital profits and losses as well as interest and dividends were taken into consideration in arriving at the figure of income on which directors' remuneration was determined.

Bond Trader Wanted

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What of Re-Armament?

GREAT BRITAIN will spend about $1,500,000,000 annually during the next five years for national defence. The 1937 French budget calls for $890,000,000 plus another $890,000,000 to be spent over a four year period. The United States has set aside $992,000,000 for 1937 and Italy, Germany and Russia will appropriate huge sums. These three countries, in 1935, spent $871,000,000, $2,600,000,000 and $2,965,000,000, respectively. The world total for 1935 exceeded $10,730,000,000 as against slightly more than five billion in 1934.

These expenditures—actual and prospective—have contributed to an increased demand for labour and a rise in prices amounting, in some instances, to spectacular proportions. Such developments have a marked significance for every investor. The last war caused derangements of trade and industry—with ultimate investment losses—that proved more costly than the war itself.

Successful investment management strives to foresee such tendencies and minimize such losses. Only secondarily does it seek investment opportunities afforded by re-armament.

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# Realty Bondholders Suffering From Over-optimistic Financing Of Pre-depression Promotions

## Recovery Likely to be Slow — Rentals Rising But Taxes Are Still at High Level

By **A. D. ELLWOOD**

Too high appraisals on which to base a bond mortgage, too high taxes, too low rentals and many other reasons are frequently mentioned to account for the disastrous experience of investors in real estate bonds over the past five years. All of these matters have done their part, the amount which each factor has contributed varying between different issues.

In 1923 the majority of the real estate securities committee of the Investment Bankers Assoc. of America reported that 50% of present costs should be the standard on which to base the relationship of mortgage loan to appraisal. A maximum of 60% of appraised value might be used to base a bond mortgage in exceptional cases, but the more conservative basis was strongly recommended.

Another sentence in this report reads as follows:

> "In arriving at this conclusion we are not unmindful of the viewpoint of those who maintain that with application of modern methods, rapid serial reductions in principal, periodical deposits of income, and with the added watchfulness of the investment dealer, a higher percentage may be loaned on first-class income-producing property with safety."

### Trend of Financing

Canadian conditions closely paralleled those in the United States but reached a climax a few years later. A compilation of major real estate bond issues prepared by The Financial Post shows the following volume of securities offered:

| Year Ended Aug 31: | Volume $ | No. of Issues |
|---|---|---|
| 1922 | 6,503,000 | 9 |
| 1923 | 11,174,000 | 9 |
| 1924 | 5,270,000 | 10 |
| 1925 | 6,185,000 | 12 |
| 1926 | 7,805,000 | 19 |
| 1927 | 9,068,000 | 21 |
| 1928 | 27,023,000 | 31 |
| 1929 | 31,985,000 | 22 |
| 1930* | 5,362,000 | 14 |
| 1931* | 2,300,000 | 3 |
| 1932-35* | nil | nil |

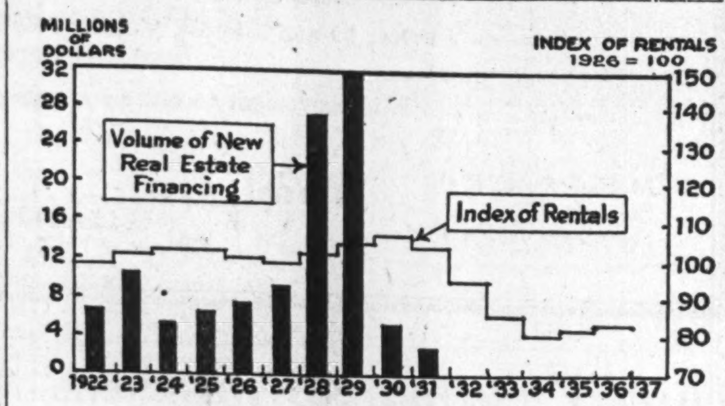
*Calendar years ended Dec. 31.

Of the 14 issues offered in 1930 only five, London Realty Co., Peel Street Realties, Montreal, Windsor Hotel of Ste. Marie, and York-Adelaide Garage, Toronto, have escaped some form of reorganization. None of these issues have an entirely clean record of no defaults on bond interest or sinking fund.

### Rentals Rose Until 1930

A rising rent trend reached its climax in Canada in 1930 when a level of 105.9% of the 1926 rental level was noted, according to figures compiled by the Dominion Bureau of Statistics. This same index showed little change during the period from 1923 to 1931, but dropped sharply in 1932.

Companies interested in real estate financing had deluded themselves and their customers into believing that such rents and values were permanent. The investing public eagerly absorbed the bonds while their faith in city real estate seemed to know no limit. New buildings of every description sprang up everywhere and crimes were committed in cheap construction and misplaced buildings.



### FINANCING FOLLOWS RENTALS

Public participation in real estate financing has disappeared in Canada since 1931. The Financial Post Record of Prospectuses for 1932, 1933, 1934 and 1935 does not list any security offerings under the heading of Real Estate. The peak of the rental index computed by the Dominion Bureau of Statistics was reached somewhat later than the high level of real estate financing and the past two years have shown some recovery from the low level of 1934. The relationship between volume of real estate security offerings and level of rentals is shown by the above chart.

The old law of supply and demand began to take its toll in 1931. "For Rent" signs appeared on buildings, and rents began their precipitous decline and in 1934 were about 75% of the 1926 level. It was this 1926 level of rentals and real estate values which had been capitalized in the form of bond issues and, on a 1934 income, the debts were insupportable.

In chronological sequence the year 1930 saw the beginning of (1) a greater percentage of vacancies coinciding with the completion of many of the buildings financed during the prosperous years of 1927-29; (2) lowered rentals; and (3) higher taxes because of growing relief expenditures. The very factors bringing higher taxes also caused lower revenues for the optimistically conceived buildings just coming into the market across Canada.

### The Weak Points Appear

Weaknesses in the methods used in financing real estate projects were not long in showing themselves. Appraisals were based on a rising trend of values which had been experienced for a few years and in too many cases these proved to be inflated. Then a first mortgage was placed on the property in which 60% of real value was taken as the standard rather than the maximum which the prospective earnings could support. Equity owners, that is the holders of common stock in the company which was formed, too often failed to supply enough of the money required, and in some cases supplied none at all.

Financing costs were always heavy. The borrower was usually fortunate if he had 90% of the money which first mortgage bondholders supplied with which to put up his building. If the bonds had a 7% coupon rate, as many of them had, this meant that the borrower was paying over 8% on the money which he actually received for his 15-year bonds.

### A Trail of Trouble

Certain individuals and financing houses have a particularly unfortunate record in real estate financing. The promoters of Clarendon Apartments, Clarendon Properties and 80 Richmond Street West (Victory Building), all in Toronto, have left a trail of disappointed bondholders behind them. In the case of these three buildings, first mortgage bonds were sold to the extent of over 60% of the appraised value of the completed buildings. The Victory Building was not completed until this year and bondholders lost everything that they had put into the property.

United Bond Co., Windsor, of which Henry Wade, Detroit, was president, had a plan of its own. This organization did not form companies to hold the equity in the various properties which they promoted. Individual mortgages were negotiated by property owners wishing to build on land which they owned. United Bond Co. sold bonds based on these mortgages. Serial bonds were favored and the sponsors guaranteed interest and principal on the bonds. Even this scheme was unsuccessful as holders of bonds on such properties as Kensington Manor, Windsor; Annandale Court Apartments, Kingston; and Staveley Apartments, Toronto, can testify.

### Single Purpose Buildings

Experience has shown that the prospective purchaser of real estate securities should avoid buildings adapted for a single purpose and those built on land held under lease. In the former classification can be listed parking or service garage buildings, theatre buildings and hotels. In the latter case bondholders are faced with the possibility that, if the company is unable to maintain land rents, the owner of the land will be able to foreclose and take over the building. The Bishop Realty Co., Montreal, is an example of this.

Most of the bond issues which were sold to develop real estate projects extended from 15 to 20 years. During this period it was expected that sinking fund operations, or serial maturities, would have so reduced the first mortgage that it would have been quite feasible to refund the balance remaining at maturity.

### When is a Building Obsolete?

Obsolescence is a factor of increasing importance to which real estate operators of the 1920's gave too little weight. An office building or apartment may be considered obsolete when it will no longer rent for enough to pay expenses and give the owner a fair return on his investment. The expectation that a building would maintain its original level of earning power for 20 years appears to have been too optimistic, and this plan, which seemed sound and logical eight or ten years ago, failed.

Many apartments and office buildings 20 or 30 years old are earning money for their owners today. But not in the class to which they originally aspired. They have dropped their rentals and do not pretend to be modern. Canada's tallest office building, The Canadian Bank of Commerce, Toronto, is today fully rented at the highest rates in its history but it is no longer Toronto's most modern office building. Whether or not it is really profitable is not known.

Repairs and renovations may indefinitely delay obsolescence, but many properties are handicapped in making these improvements through lack of money. In the final analysis, it probably will be the bondholders who will have to forego interest or make other concessions if their building is to compete with others in the class in which it has established itself.

### Expenses Hard to Cut

Building owners are seriously handicapped when their revenue drops. Their expenses are stable and hard to reduce. Heating, power and light do not drop substantially with a higher proportion of vacant space. One Toronto building was able to cut off one of its elevators during the period when space was hard to let, but its power bill was only reduced by $2 a month. The wages of the operator would be saved, but in this case he was shifted to other work.

Bond interest cannot be reduced if the owner is to avoid default and danger of losing his equity. In some cases where the owner has been able to show that the value of his property is actually lower than formerly, he has been able to obtain a reduction in assessment and thus effect some saving in taxes.

Taxes on improved property have increased during this period of reduced revenue. Recently, through action of the bondholders' committee, Balfour Building and Mayor Building, Montreal, were permitted to divert funds which ordinarily would have gone to pay bond interest toward the payment of tax arrears. These are not isolated instances and the bondholder's equity has been threatened in many cases through inability to pay taxes when due.

Much has been written about high property taxes and the burden that this has placed on real estate. Taxes go up and revenue goes down. Between these two forces the building owner and bondholder is bound to suffer.

### Rentals Hard to Raise

Rentals are easy to reduce but hard to increase, according to the experience of many building operators. In periods of depression, landlords are reluctant to turn out a formerly good tenant who maintains he is unable to continue payment of rent at old levels. At such times vacant space is plentiful and prospective tenants scarce. The owner may keep his building reasonably well occupied by rent reductions but his revenue suffers.

After a time, demand for office space or living quarters may grow to such an extent that the landlord feels that his rents should go up. But now the tenant refuses to pay and often is willing to move, even if it means going to less desirable quarters at higher rentals, rather than pay more money for his present quarters.

Real estate operators claim that a building that has less than 10% of its space vacant should increase its schedule of rentals. Reference to the accompanying chart shows that the Dominion Bureau of Statistics index of rents in Canada has begun to rise from its low point but still has a long way to go to reach what are considered normal levels. In Toronto, building owners were able to make an increase in rents last year and hope to do so again this fall. Some estimates of the probable increase in 1937 go as high as 10%, but probably 5% will be closer to the average. In contrast to this is the drop of almost 10% in 1932 and another drop of the same amount in 1933.

Conditions in Toronto, particularly so far as office space is concerned, is more favorable than in other centres. Montreal property owners do not report much increase in rents and still have a large percentage of vacancies.

### Resale Market Poor

Lack of adequate sponsorship of real estate security issues after they were first sold to the public has made the position of the bondholders worse. Many firms which specialized in real estate securities have passed out of existence and few others have been willing to take up the burden of grief that was left. The result is that the bondholder finds it difficult to sell his securities when it becomes necessary. Possible purchasers are deterred from buying by the knowledge that they may have trouble selling their bonds again.

For any class of security to become accepted by the general run of investors, a resale market has to be established. This has been one outstanding weakness of the real estate security and investment houses might accept a greater responsibility for looking after the bondholders' interests. Some firms, however, have made generous efforts in this regard.

When a real estate company got into trouble the holders of defaulted bonds found their position weak. In most cases the bonds were sold in small lots and one of the arguments used to influence the buyer was the way in which his interests would be looked after by the trustee and the investment dealer. In actual practice he has found that his position is not as good as that of the individual mortgage holder. Insurance companies, for instance, have found that they can better supervise individual risks and take remedial steps as soon as first signs of trouble develop.

### What of the Future?

What does the future hold for the holders of real estate securities? A recent survey of Toronto office buildings made by the Building Owners and Managers Assoc. of Ontario, shows the following results:

| Date | Vacancies % | Number of Buildings |
|---|---|---|
| May, 1934 | 11.55 | 36 |
| May, 1935 | 12.21 | 38 |
| Apr., 1936 | 11.04 | 39 |
| Oct., 1936 | 6.57 | 35 |
| Dec., 1936 | 5.55 | 40 |
| Mar., 1937 | 4.69 | 41 |

The result of this survey as at March 31, 1937, shows the lowest percentage of vacancies ever given in the records of the association. Rentals, however, are estimated to be about 15% under average rates. This would indicate that conditions in Toronto, so far as office buildings are concerned is somewhat better than the average for the whole of Canada.

Resumption of occasional interest payments on bonds which have been in default for some years is an indication of improved conditions. Most of this improvement has taken place through a better ratio of occupancy rather than through increased rentals or lower fixed costs. Higher revenues should be the next step, and improved business conditions should bring some easing of the tax burden.

There is evidence that some reorganizations affected early in the depression have not been sufficient to enable the companies concerned to meet all requirements. Some further adjustment may be necessary. In other cases reorganization has been postponed until evidence of an established earning power is seen and other properties have been able to carry on under difficulties for some years but now need assistance.

Holders of real estate securities need not expect any spectacular recovery in the position of their investments. There are still too many adverse factors. But signs of recovery seem clear and a gradual improvement should take place.

# Donnacona Signs Larger Contract

From Our Own Correspondent

MONTREAL. — Donnacona Paper Co. has entered into a new contract with the Hearst interests, according to a statement issued by R. P. Kernen, president of the company.

The contract, which replaces one signed last October, will run for a term of 5½ years and calls for delivery of 40,000 tons per annum at a contract price in line with the market average. The former contract was for 25,000 tons annually.

### Farm Capital

The value of farm capital in Saskatchewan last year is estimated by the Dominion Bureau of Statistics, in three main divisions, as follows: Land and buildings, $797,795,000; implements and machinery, $134,994,000; livestock, $97,619,000—total $1,027,408,000.

# Brazilian Pays 50c a Share

## Improvement in Earnings and Exchange Reflected

Brazilian Traction, Light and Power Co. has declared a dividend of 50 cents a share payable July 10 to shareholders of record May 31.

This indicates that the company will pay at least $1 a share in dividends in 1937, compared with 70 cents a share in 1936. Such action was predicted by The Financial Post several months ago.

The 50 cents dividend to be paid July 10 is the largest single cash dividend paid by the company since 1930.

Decision of the directors to increase the dividend at this time results from improvement in earnings and in the Brazil exchange situation.

Earnings of Brazilian Traction have shown considerable improvement during the past two years, rising from 51 cents a share in 1934 to 74 cents a share in 1935. The 1936 report has yet to be published but it is estimated that profits will be equivalent to about 95 cents a share. Gross earnings in 1936 increased by $1.9 million or 6.54% and net earnings by $1.6 million or 10%.

The betterment in earnings has continued into the current year, gross earnings in the first three months of 1937 increasing by $1.2 million or 16.85%. Net earnings in this period increased by $646,390 or 16.29%. Thus, indications are that profits in 1937 will be well in excess of $1 a share.

### Exchange Situation Better

Exchange difficulties have been one of the major problems facing the company during the depression years, restrictions making it impossible for the company to transfer funds abroad for dividend payments. As a result the company paid no dividends in the years 1933-35 inclusive. In 1936, however, there was improvement in this situation and the company was able to pay 70 cents a share.

In the current year there has been further improvement in the exchange situation as a result of increased exports from Brazil. At the present time the Brazilian milreis is quoted at 6½ cents, compared with 5.6 cents a year ago. Hopes are held out that exchange may become free in the not too distant future.

During the current year the common shares have been subject to wide fluctuations in price. From a low of $18⅛ a share early in January the common stock rose to a high of $30¼ on March 1. From this high it declined to $18½ on April 28 and has since recovered to around $22.

### Factors in Decline

Several factors have been responsible for this decline in addition to those to which the general decline in the stock market is attributed. Among these have been political factors. A presidential election is to be held in Brazil early in 1938. Under the constitution President Getulio Vargas cannot stand for reelection and there is considerable uncertainty as to who his successor will be and what policy will result. Another depressing factor on the stock has been forced liquidation from European sources.

The Financial Post is informed that no final agreement has been reached in regard to the rates for services provided by certain subsidiaries of the company. Following the abolition of the gold clause in the company's contracts in 1933 temporary rates were imposed pending the determination of permanent rates and for some services these are still in force. This condition, pending settlement of permanent rates, is an uncertain factor in the outlook for the company.

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**Investment Trends**

# Lack of Enthusiasm Apparent in Stocks

## Waning of Public Interest Expected to Mean Dullness in Common Shares — Collapse Predicted for 1939

There has been a pronounced deflation of public enthusiasm for common shares since the stock market slipped downward. This is one reason for anticipations that stocks will be inactive. Such inactivity, without pronounced movement, would be regarded as indicative of completion of the recent wave of liquidation.

The severity of the decline of stocks in London following introduction of surtaxes on increases in company earnings appears likely to contribute to dullness in Canadian and American markets. Eventually, the new taxation may encourage British investment in Canadian stocks.

Comments of stock market analysts on the recent decline are largely to the effect that the downward movement is temporary. The view is fairly common that stock markets may not show pronounced recovery until midsummer.

### *Buying Range?*

Every time the stock market turns downward there is the possibility of reversal of the major trend. However, there are indications that the recent slump of prices merely denotes an interruption in the long-term rise.

One investment advisory service points out that the termination of the six major stock market advances of the past generation have all terminated under conditions of stringent credit with money rates higher than dividends on stocks, and with business at higher than normal volume for some months. The situation at present is that money rates remain unusually low reflecting easy credit conditions; and although business has improved it has not yet made up for the ground lost in the depression.

The suggestion is made that stocks appear to be in a buying range around the low prices for the year recorded recently. It is conceded that prices may recede a few more points in the market averages, and there does not appear to be any need for undue haste for investment purchases. But the prevalent belief appears to be that the greater part of the temporary decline has already been witnessed.

* * *

### *Slump in 1939?*

Recently we reported in this column the opinion of a leading Canadian business and financial man that there would be a collapse in stocks in about two years. Now General Charles G. Dawes, author of the ill-fated Dawes plan for reparations payments, has written a book expressing a somewhat similar idea. The General is optimistically inclined despite the predicted slump of 1939. He foresees a high degree of prosperity up to 1939, with a stock market collapse developing in the summer or fall of that year. Then he foresees two years of business recession to be followed by a period of prosperity.

* * *

### *Four Selections*

Selection of securities is no easy task and almost any list is open to criticism. The four favorites among Canadian common stocks selected by an advice organization are Imperial Oil, International Nickel, Steel of Canada and Power Corporation. Illustrative of the possibilities of substitution, consider instead these four: International Petroleum, Consolidated Mining & Smelting, Ford of Canada and Shawinigan. The average yield on each group is slightly less than 4%.

* * *

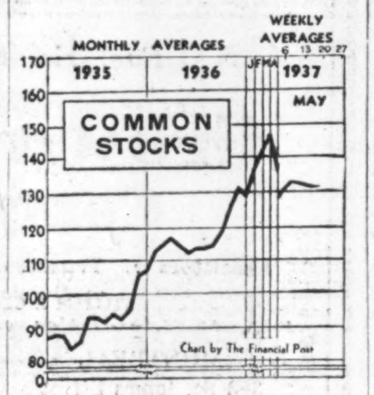
### *Investor's List*

In enclosing a list of about 20 stocks a reader asks for a confidential report on each and also for advice as to market conditions. Most of the capital is in speculative or in semi-speculative shares, owned outright. The investor's problem is to know how long it is advisable to retain such shares as Cockshutt Plow, Massey Harris, C.P.R., Brazilian Traction, Brewing Corporation, Consolidated Paper, Power Corporation, and so on to a long list including several gold mining stocks such as O'Brien, Thompson Cadillac and San Antonio. The first point of note is that all the available funds are in stocks, leaving inadequate cash reserves. In a case of this kind it seems advisable to set up some cash reserve by selling a few of the securities which appear to have least prospect of further recovery.

The next problem is what the stock market is going to do. The probabilities appear to favor resumption of the long-term uptrend of prices sooner or later, but there is little certainty as to the length of the current recession.

The letter presents a baffling investment problem. No one knows, for instance, what further riches may be found in a gold mine. The problem of what the future has in store for C.P.R. shares alone is a puzzle for the best investment analyst.

Probably the best general answer to a problem of this kind is to liquidate the least successful and least promising shares and to hold the rest.



### *SETBACK*

In the second week of May, common shares lost the gain of the preceding week as recorded by Dominion Bureau indices. Comparative figures appear on this page.

## Newsprint Price Raised For Brazil, Argentine

**From Our Own Correspondent**

MONTREAL.—Selling price of Canadian newsprint in Argentina and Brazil will be increased from £10 10s. per metric ton delivered to £13 15s., the change to be effective as from Sept. 1, 1937. The new price applies until June 30, 1938.

As the metric ton is 206 lb. more than the standard short ton, and converting pounds sterling into Canadian dollars with sterling at $5, the new schedule for South America indicates a price of about $60 a short ton.

About 75,000 tons of Canadian newsprint are exported annually to Argentina and Brazil by Canadian producers, chiefly Price Bros., Consolidated Paper, International Paper and St. Lawrence Paper.

**Noranda**—Recent reports of U. S. investment trusts show that many of them have been liquidating holdings in Noranda Mines. Railway Light & Securities Co. sold its holding of 1,000 shares in the first quarter of this year.

A 32% Increase

Dividends payable by Canadian corporations in May show a gain of 32 per cent compared with the same month a year ago. For the first five months of the current year dividends declared total $74,800,000, an increase of 27 per cent over the figure for the corresponding period in 1936.

A reflection of improved corporate earning power, these impressive distributions direct attention to the sharp increase in industrial activity in all parts of the Dominion. Speeded plant operations in turn have created a wider demand for power; utility companies are sharing broadly in the upswing in Canadian business.

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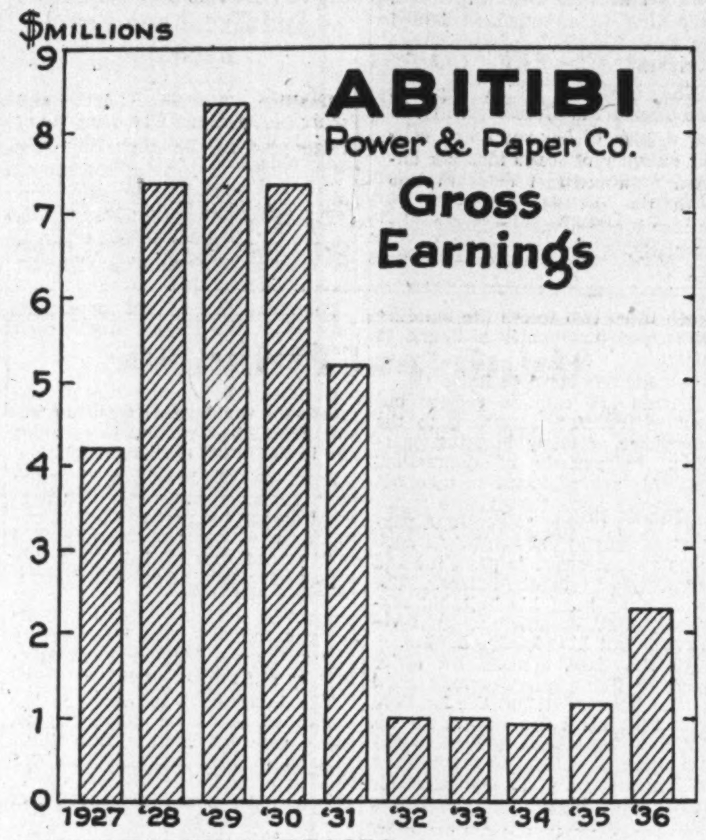
# *Abitibi Reorganizing Scrap May Drag Through Courts*



### *ABITIBI EARNINGS RECORD*

From a peak of $8.4 millions in 1929, gross earnings of Abitibi Power & Paper Co. declined below $1 million in 1934. Last year's record under receivership was earnings of $2.2 millions. However, these are gross figures, before provision for depletion, depreciation and bond interest. The company now requires gross earnings of about $5 millions annually to provide for normal depreciation and depletion and interest at 5% on a total of some $64 millions of bondholders' claims, before showing earnings for shareholders.

(Continued from page 1)

burden of any future troubles the company may encounter. The rest of the Wood, Gundy offer is simple, 4¾ new common shares for all claims of each $100 share of 7% preferred; 4¼ common shares for each $100 share of 6% preferred stock; and one new share for each 10 common shares.

### *Legal Aspect*

The offer represents a bid recorded officially through the liquidator of Abitibi, R. S. McPherson, C.A., Toronto, and might be used in an attempt to forestall judicial sale proceedings and to divert the Abitibi reorganization into a compromise between bondholders and shareholders. Such a compromise might be effected under the Companies' Creditors Arrangements Act under which 75% of creditors must approve to make any scheme effective. Then the shareholders would have to approve any compromise under the Companies Act.

One well-informed legal comment is that it would be difficult to get 75% approval of a compromise under the two company laws because a minority group of any class of security holders could upset any scheme.

Perhaps it is not the least important feature of the offer that it may result in delay in matters of detail and of law. Time may be an important factor in the eventual unravelling of the Abitibi entanglements, and delay may be valuable to shareholders in allowing the company to increase its earnings and strengthen the arguments of shareholders against dilution of their interest.

### *Earnings Outlook*

Holders of both preferred and common shares in Abitibi make rosy estimates of future earnings. At least partial support for such forecasts is found in the estimate of the liquidator, R. S. McPherson, that the company would earn at least $4.5 millions in 1937. For the first three months of this year the company had net earnings of $935,084 available for depreciation and interest charges compared with $181,393 for the first quarter of 1936.

This is the Abitibi earnings record:

**Abitibi Sales and Earnings**

| Year | Newsprint sales (tons) | % of capacity | †Gross earnings $000's |
|---|---|---|---|
| 1937* | 450,000 | 65.0 | 4,500 |
| 1936 | 355,274 | 51.5 | 2,186 |
| 1935 | 289,096 | 41.6 | 1,205 |
| 1934 | 239,408 | 34.4 | 954 |
| 1933 | 195,258 | 26.7 | 1,035 |
| 1932 | 207,127 | 28.4 | 1,660 |
| 1931 | 264,807 | 36.3 | 5,397 |
| 1930 | 371,593 | 50.9 | 7,374 |
| 1929 | 538,181 | 72.4 | 8,377 |

*Estimates by The Financial Post based on receiver's and liquidator's reports.
†Before depreciation and bond interest.

The company's total sales in 1936 amounted to approximately $15 millions.

The figures do not bear out the more optimistic prognostications that Abitibi may earn somewhere from $9 millions to $14 millions in 1938. Without allowing for creation of any new issue of prior lien bonds, it appears that Abitibi requires gross earnings of $5 millions to provide for depreciation charges at the pre-depression rate of $1.7 million annually and interest at 5% on the full claims of bondholders.

The future earnings possibilities are related to the company's mill capacity which is tabulated below:

| Newsprint (operating) | Rated Daily | Tonnage Annual |
|---|---|---|
| Iroquois Falls | 600 | 186,000 |
| Sault Ste. Marie | 250 | 78,000 |
| Thunder Bay | 250 | 78,000 |
| Pine Falls (Man.) | 250 | 78,000 |
| Fort William | 170 | 52,000 |
| Total newsprint | | 472,000 |
| **Bleached Sulphite—** | | |
| Smooth Rock Falls | 195 | 60,000 |
| **Idle Abitibi Newsprint Mills** | | |
| Ste Anne de Beaupré | 250 | 78,000 |
| Espanola | 325 | 100,000 |
| Sturgeon Falls | 150 | 46,000 |
| Idle capacity | | 224,000 |

With the five newsprint mills now open the company's rated capacity of production is 472,000 tons annually. The receiver, G. T. Clarkson, recently reported expectations that sales in 1937 would exceed 425,000 tons. Even though a large part of the increase in the price of newsprint this year is absorbed in higher costs, the increase of volume is expected to produce substantial earnings. Also, it is expected that the sulphite pulp mill at Smooth Rock Falls will make good profits in 1937.

It is partly on expectations of much higher earnings from sulphite that the most optimistic estimates are made by shareholders. And there is an expectation that the price of newsprint which has been raised from $42.50 a ton to $50 a ton for the first half of 1938 may be raised again for the second half of next year. A contributing factor favorable to Abitibi earnings is that the company will be able to take on new business this year when other newsprint mills are at full capacity and the company is therefore in a position to obtain a premium on some orders above the current export price of $42.50 a ton.

Three Abitibi mills remain idle. The first of these that would be reopened in case of further increases in newsprint sales would be the mill at Ste. Anne de Beaupré, Quebec. Whether the Espanola and Sturgeon Falls mills will be reopened is a question that operating newsprint men have been inclined to answer in the negative, because it would be costly and might not be profitable unless there is sustained high demand for newsprint paper at prices exceeding $50 a ton. For conservatism in calculations of future earnings possibilities it seems advisable to leave Espanola and Sturgeon Falls out of the reckoning.

If the Ste. Anne mill were reopened, the company would have total rated capacity of 550,000 tons of newsprint annually. At a gross profit of $14 a ton, this would produce income of $7.7 millions available for depreciation, bond interest and income taxes. Earnings from sulphite pulp at $20 a ton gross would expand the total to about $9 millions, and there is a possibility of some income from Provincial Paper Ltd. It must be remembered, of course, that the possibility of earnings as high as $9 millions annually depends upon capacity operations at six newsprint plants whereas only five are now in operation, and also that it depends upon a price of $50 a ton or better for newsprint without substantial further increases in operating costs. Thus, while $9 millions in earnings is a possibility for 1938, it would be safer to guess $7 millions to $8 millions. Even the lower figure, however, would be sufficient to cover annual depreciation and interest charges, although it would not leave much profit for shareholders. It would require earnings of about $8 millions to cover depreciation, interest charges at 5% on all claims of the present bonds, and 6% on the full claims of preferred shareholders.

In some respects the Abitibi situation is similar to that of Price Bros. & Co., where the company was finally reorganized by borrowing funds to pay off bondholders in cash for all their claims.

Abitibi is a larger company than Price Bros. and the idea of raising $65 millions in cash to pay off the bondholders seems fantastic. However, the suggestion has been made that it would be possible to satisfy the immediate claims of bondholders by raising some $16 millions to pay off all arrears of interest.

One businessman suggests that the money might possibly be lent by banks. The banker's view, however, is that it is not good banking to lend behind a first mortgage and also that it is not the business of a bank to provide working capital for repayment over several years.

Another suggestion is that the money to pay off arrears of bond interest might be raised from the present preferred and common shareholders. Experience indicates that it is costly and uncertain to try to raise large sums in this manner, but it may be proposed to security holders.

Still another proposal—this from a holder of a substantial block of common shares—is that the default of the bonds be rectified by raising the necessary funds through sale of a second mortgage loan in both Canada and Great Britain with an attractive conversion feature attached. Doubts may be cast upon the feasibility of such financing in view of the troubles that have arisen in connection with even the first mortgage bond issue, and a high rate of interest would have to be paid.

The Abitibi situation, in brief, is one in which the claims of bondholders must be satisfied and that is only investment justice.

While there may be a division in the ranks of preferred shareholders, the effect may be to add emphasis to the rights of the preferred issues.

For the common shares, the outlook still seems sombre, partly because there are three times as many common as preferred shares, which puts the common at an arithmetical disadvantage, and secondly because the claims of the common to an equity in assets and possible future earnings are based to a considerable degree on intangible factors.

It is a certainty anyway that the Abitibi affair will not be settled in a week nor yet in a month. And it may not be through with the toils of the law for the greater part of a year.

## Investment Notes

**Inter. Paper and Power**—On the volume of pulp and paper products turned out by the operating subsidiaries last year, the company grossed $63.40 a ton and made $8.25 a ton net available for interest and depreciation. In the previous year the sales value was $55.90 a ton and net per ton $6.25. For 1934 the company received $54.75 a ton for all pulp and paper sold and earned a net profit of $6.17 a ton.

* * *

**Canadian Vickers**—Last year's report was distinctly disappointing. The figures show that operations were conducted at a very small profit, as the subsidy received from the Dominion Government accounted for $105,000 of the $142,421 operating profit reported.

* * *

**Asbestos Corp.** — Interest in the common stock has been rather dormant for several weeks. Revival of activity is not likely until after the current financing is out of the way.

* * *

**Beauharnois** — Common stock of this company continues to provide a feature of trading. While stock values have tumbled in the past few weeks, Beauharnois common held up at seven. For a company whose outlook is as indefinite as Beauharnois, the showing of the common is outstanding.

* * *

**C.P.R.**—Despite business recovery, it appears very difficult to work up any interest in the ordinary shares. Between 12 and 13 the stock sells around 50% of par value and opinion among brokers is that the stock at this level is well-priced.

* * *

**Montreal Power**—From a high of 36⅞, the company's stock has dropped to a current low of less than 30, at which point there is a dividend yield of 5%. Political uncertainty in the Quebec utility situation has tended to sour the investor, who once looked upon the utility stocks as a safe sort of equity investmnt.

* * *

**Southern Canada Power**—For the first seven months of the current fiscal year ended April company reported a surplus of $18,616 after all charges, including dividend on the common stock. This provides a contrast with a deficit of $14,687, on the same basis, for the corresponding period of the previous year.

## Significant Investors' Index Numbers

1926 — 100

| No. of Securities | Mach. and equip. 8 | Pulp and paper 6 | Milling 4 | Oils 4 | Textiles and clothing 10 | Food and allied prod. 13 | Beverages 7 | Bldg. mater. 14 | Indust. mines 2 | Total industrials 68 | Total utilities 19 | Total co's. 96 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1929-36:* | | | | | | | | | | | | |
| High | 432.5 | 113.4 | 273.4 | 423.5 | 113.5 | 197.8 | 205.4 | 281.1 | 591.3 | 317.6 | 166.0 | 198.3 |
| Low | 39.2 | 3.0 | 37.7 | 87.7 | 30.8 | 78.8 | 33.8 | 44.3 | 74.9 | 56.0 | 36.9 | 43.3 |
| 1937: | | | | | | | | | | | | |
| Jan. | 156.3 | 37.2 | 119.6 | 229.6 | 77.3 | 184.2 | 141.0 | 197.0 | 549.3 | 222.0 | 68.5 | 137.4 |
| Feb. | 163.4 | 36.7 | 120.7 | 235.2 | 78.5 | 188.2 | 139.3 | 203.5 | 586.7 | 228.8 | 73.1 | 142.4 |
| Mar. | 168.3 | 40.2 | 127.0 | 247.7 | 80.2 | 190.0 | 141.8 | 213.4 | 618.2 | 241.7 | 71.0 | 147.2 |
| Apr. | 157.5 | 47.1 | 117.4 | 230.4 | 79.9 | 182.4 | 133.4 | 204.8 | 538.9 | 224.1 | 64.1 | 136.2 |
| Weekly Figures, 1937: | | | | | | | | | | | | |
| May 6 | 154.5 | 41.5 | 111.1 | 227.9 | 78.0 | 178.2 | 129.9 | 190.7 | 524.9 | 216.5 | 62.3 | 131.9 |
| May 13 | 151.4 | 37.1 | 110.6 | 229.6 | 77.9 | 179.6 | 127.8 | 189.3 | 518.4 | 215.3 | 62.4 | 131.5 |

*High and low for years from 1929 to 1936 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

**Toronto Stock Exchange Index**

| | 20 Indus. | 20 Golds | 20 Misc. Mines |
|---|---|---|---|
| May 18 | 163.99 | 122.05 | 157.17 |
| May 17 | 162.13 | 120.99 | 155.05 |
| May 15 | 163.02 | 122.11 | 154.85 |
| May 14 | 162.15 | 121.05 | 153.09 |
| May 13 | 161.02 | 119.22 | 151.03 |
| May 11 | 164.46 | 122.10 | 155.26 |
| Month ago | 171.42 | 132.50 | 171.81 |
| Year ago | 130.81 | 132.92 | 131.09 |
| High, 1937 | 187.67 | 168.59 | 215.36 |
| Low, 1937 | 157.82 | 119.22 | 151.03 |

**Montreal Averages**

| | 10 Util. | 20 Indus. | 30 Comb'd |
|---|---|---|---|
| May 18 | 75.3 | 104.0 | 94.1 |
| May 17 | 74.8 | 101.5 | 92.6 |
| May 15 | 75.6 | 102.3 | 93.4 |
| May 14 | 75.9 | 102.0 | 93.3 |
| May 13 | 75.8 | 100.7 | 92.4 |
| May 11 | 76.3 | 103.8 | 94.6 |
| Month ago | 78.8 | 106.9 | 97.5 |
| Year ago | 68.4 | 70.8 | 70.0 |
| High, 1937 | 92.5 | 122.2 | 109.5 |
| Low, 1937 | 74.8 | 100.3 | 92.3 |

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3¼% Conversion Loan Bonds due June 1st, 1949
Callable at 100 on or after June 1st, 1946.
Denominations: $100, $500 and $1,000.
Price: 99 and interest, yielding 3.35%

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Wood, Gundy & Company
Limited

# *Three Viewpoints Expressed On Abitibi Reorganization*

**From Our Own Correspondent**

With the initial publication by The Financial Post last week of the Wood, Gundy offer for reorganization of Abitibi Power & Paper Co., opinions of what should or should not be done with the company, from the points of view of the different groups of investments, have been expressed as follows:

**Bondholders' Committee**

Joseph P. Ripley, of Brown, Harriman & Co., New York, chairman of the bondholders' committee which has been arranging a reorganization plan for more than a year, states:

"Until the agreement with the Ontario Government in respect to Abitibi is completed, the promulgation of any plan of reorganization of Abitibi Power & Paper Co. is premature. The bondholders' committee is opposed to the so-called Wood, Gundy & Co. plan."

**Wood, Gundy View**

Arthur D. Cobban, vice-president of Wood, Gundy & Co., in presenting that firm's plan of reorganization, which would give most of the equity to preferred shareholders, states:

"This proposal preserves for the bondholders their existing prior position for all claims, including accrued interest thereon. It preserves exclusively for the present security holders of the company, including the bondholders, the right to share in any further improvement in the industry, and provides, in our opinion, the cheapest method of obtaining immediate working capital. Furthermore, it provides a medium whereby all investors who supplied the capital for the building of these properties have an opportunity of regaining their full investment with interest thereon."

W. Collin Brooks, representing Lord Rothermere, British newspaper and newsprint peer, who is understood to be heavily interested in Abitibi common shares, comments:

"There is no need for reorganization at all in Abitibi. . . Including sulphite and its possibilities, we estimate that Abitibi may make anywhere from $9.5 millions to $14 millions in 1938. If you have a company making profits at that rate, it can buy itself out of its present mess. If there is patience all around, there will be no need for reorganization."

MEAD CORPORATION

A memorandum on this interesting pulp and paper situation has been prepared and will be mailed to you on request.

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Members Montreal Stock Exchange
Montreal Curb Market
507 Place d'Armes, Montreal
TORONTO OTTAWA QUEBEC
SHERBROOKE
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A Mutual Investment Fund
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UP 31%!

B.C. Wholesale Trade Gain Leads ALL Canada

● British Columbia led all Canada in the increase in wholesale trade in March, doing 31.7 per cent more business than in March, 1936! Concrete evidence that Vancouver and British Columbia as a whole, are right out in the business lead. Merchants and business men expect the next few months will see the best business here in years. It is this increase in business that will make Vancouver your most profitable market to cultivate.

● Vancouver Bank Debits showing business activity since the depression low in 1932.

1932 ........ $1,190,466,183
1933 ........ 1,207,251,145
1934 ........ 1,320,857,775
1935 ........ 1,349,024,217
1936 ........ 1,682,786,803

The figures below show percentage increase in spending money from 1932 to 1936.

Per Cent
1933 over 1932 ........ 1.41
1934 over 1933 ........ 9.41
1935 over 1934 ........ 2.13
1936 over 1935 ........ 24.74
Total increase to end 1936 ........ 41.35

● Official figures by Dominion Bureau of Statistics

$32 MILLIONS INCREASE in VANCOUVER PEOPLE'S BUYING!

Payrolls have increased . . . more people are employed . . . earnings are being put into circulation. Vancouver has $32,225,750 increase in buying power in the first three months of this year over the corresponding period in 1936.

As business increases, spending increases! One of the highlights in Vancouver business has been the demand for building materials, paints and other items used in home construction and renovation.

Building permits for the four months from January to the end of April this year total $3,039,390 against $2,219,520 in the like period last year, and this increase despite the fact that last year's figures included Vancouver's new million dollar City Hall.

Reach This Profitable, Active Market, Through the Columns of Vancouver's Home Newspaper

THE VANCOUVER SUN
Serving over 70,000 families daily!

**Bond Markets**

# Firmer Trend Evident For High Grade Bonds

### Prof. E. W. Kemmerer Again Predicts Long Period of Rising Commodity Prices Followed By Higher Interest Rates

Firmer price trends continue for gilt-edged government bonds, Dominion of Canada and eastern provincial issues recording fractional advances.

Stabilizing influences are uppermost in the Canadian bond market at the present time and if the treasury bill rate can be taken as an indicator then the market can be expected to remain steady.

Sale of $20 millions of Dominion of Canada treasury bills on May 14 was at an average discount price of $99.81814 which gives an average yield of 0.715%. This marks the fifth successive decline in the treasury bill rate and is the cheapest short term money obtained by the Dominion government this year.

Subscription books for the 12-year 3¼% bonds of the Dominion of Canada conversion loan were closed on May 14. Total subscriptions for the 12-year maturity were $33.5 millions. It had been previously announced that $20 millions of the two-year bonds and $60 millions of the five-year bonds had been taken up. Thus over half of the $236 millions of 5½% tax free bonds which fall due Dec. 1 next have been converted.

Negotiations are being carried on for a temporary adjustment of the debenture debt of St. Boniface, Transcona, St. James and St. Vital, Winnipeg suburban municipalities. It is probable that arrangement will be made for small payments to bondholders over a five-year period when a final adjustment will be made. It may be necessary to wipe out arrears of interest.

### *Decline Forecast*

E. W. Kemmerer, professor of international finance at Princeton University, has reiterated his prediction of a fall in bond prices and a rise in interest rates and commodity prices.

In a recent address before the California, Bankers' Association Prof. Kemmerer expressed the opinion that United States is facing a long period of rising commodity prices which commenced about five years ago and which are likely to attain increasing momentum during the years immediately ahead.

He states that the many powerful inflationary forces set into operation during recent years by the monetary and fiscal policies of governments have not yet gotten into full swing, but will eventually push the price level upwards. At the present time we are in a temporary period of monetary and credit glut and resulting low interest rates, like that of 1915, which usually precedes a strong upward movement of commodity prices, a movement which is almost invariably followed by advancing interest rates.

Prof. Kemmerer sees little possibility of the government being able to check the rise in interest rates through continuance of a cheap money policy. The government, in view of continuing deficits, will not have sufficient funds to support the market by purchasing bonds. One course which would be open to it would be to practically monetize bonds, which was essentially the policy followed by Germany in the post-war inflation period. This, however, would be inflation of the worst type.

* * *

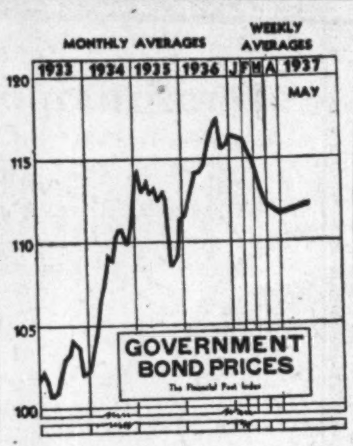
### *Balanced Budget*

As to how to meet the situation Prof. Kemmerer had only two suggestions to offer and these apply to Canada as well as to the United States.

(1) Fight inflation by insisting upon a balanced budget for the national government and by demanding discontinuance of half-baked monetary experiments.

(2) Careful distribution of maturities in investment portfolios of the banks, keeping at a minimum the more distant ones.

In closing, he warned bankers not to be too confident that the rise in interest rates which he predicted will come slowly and with adequate advance warning.



With Prof. Kemmerer's major premises there will be general agreement. Investors are vitally interested in knowing when the predicted rise in interest rates will develop. Prof. Kemmerer has given the long-term prospects. The immediate outlook is for a continuance of low interest rates. As was indicated early this year, however, it is impossible to say when the period of declining bond prices will commence.

* * *

### *Market Notes*

The western provincial list has been comparatively inactive, demand being of a selective character. As a result price action has been erratic.

High-grade corporation issues have been firm.

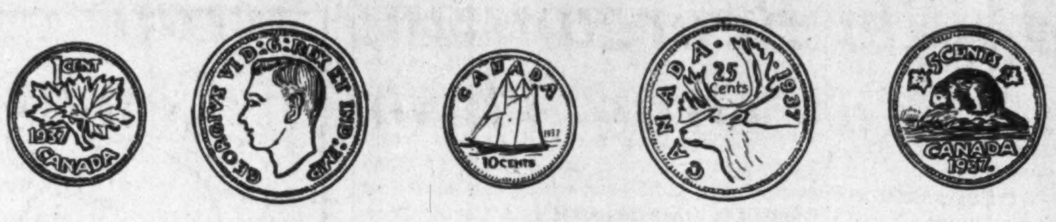
Some newsprint issues have dropped sharply in the face of liquidation. The reorganization plan for Abitibi Power and Paper sponsored by Wood, Gundy & Co., is less favorable than expected and as result the 5% bonds have sold off 5½ points to 98. Consolidated Paper 5½'s have dropped 4½ points to 87 and Minnesota & Ontario Paper's 6's six points to 69.

International Hydro-Electric 6's have declined four points to 72½.

The trend of the high-grade market is indicated below:

**The Financial Post Index of Average Price and Yield of High Grade Govt. Bonds**

| 1937 | Price $ | Yield % | 1936 | Price $ | Yield % |
|---|---|---|---|---|---|
| May 18 | 112.78 | 3.386 | May 18 | 114.65 | 3.284 |
| May 17 | 112.64 | 3.403 | May 16 | 114.60 | 3.286 |
| May 15 | 112.64 | 3.403 | May 15 | 114.61 | 3.286 |
| May 14 | 112.62 | 3.410 | May 14 | 114.68 | 3.280 |
| May 13 | 112.62 | 3.410 | May 13 | 114.71 | 3.277 |
| May 11 | 112.61 | 3.413 | May 12 | 114.67 | 3.280 |
| Year's | 116.81 | 3.026 | Year's | 117.91 | 2.966 |
| Range | 111.60 | 3.505 | Range | 111.50 | 3.597 |



## *CANADA'S NEW COINS*

Four of Canada's new coins have made their appearance, although as yet general circulation is limited. The two most valuable, the silver dollar and half dollar, have been delayed, but are expected very shortly. Designs of the new coins, more distinctive than those to which Canadians have become accustomed, represent the work of two English sculptors, Kruger Gray and Henry Paget, and one Canadian, Emmanuel Hahn. The obverse of all coins is alike, an uncrowned likeness of the king's head. It is of interest that this is exactly the same design which appears on the English coin. On the reverse side of the coins, as may be seen from the above drawings, are a twig of maple on the coppers, a beaver on the "nickels," a fishing schooner on the 10-cent pieces and a caribou head on the quarters. The new quarters and 10-cent pieces have rolled edges.

## Municipal Finances

**St. Simeon,** Que., has been authorized by the Quebec Municipal Commission to pay interest coupons of May 1, 1937.

* * *

**Quebec City** has increased earnings of its sinking fund by $42,000 annually through the purchase of $1,442,000 of the city's own bonds. Interest paid by the banks on cash held by the sinking fund was only 2% while the bonds purchased bear 3½% to 5% interest. Of the bonds purchased, $500,000 mature in 1958 and bear 3½% interest; $250,000 mature in 1959 and bear 4½% interest; $692,000 mature between 1950 and 1961 and bear 5% interest.

* * *

**Sarnia,** Ont., reports that 1937 taxes collected to the end of April through prepayment certificates and cash payments amounted to $72,029, compared with $71,123 in the corresponding period of 1936. Collections of arrears during the first four months totalled $67,700, which is a substantial increase over the same period of last year.

* * *

**Saint John,** N.B., collected $1.6 million in taxes in 1936, an increase of $24,768 over 1935. Of the total collected, $1,208,331 represented payments on 1936 levy and $393,471 on arrears.

A. G. McMulkin, city chamberlain, in his report stresses that tax receipts in 1936 were not up to expectations and that more stringent methods will have to be adopted in the future to make collections.

Debenture debt at the end of the year was $6.817,150 against which was held a sinking fund of $2,398,296. Bank overdraft, including unfunded capital expenditures, amounted to $695,623.

* * *

**Ottawa, Ont.,** expects that the city's share of relief costs this year will be higher than in 1936. The city council has approved direct relief estimates for 1937 of $776,665, compared with an estimate of $503,975 and actual expenditures of $761,228 last year. In addition, there is an appropriation of $111,060 for salaries of staff, general expenses, etc., making a total of $887,725. It is proposed to fund $539,000 of the total so that only $348,725 is to be provided by taxation this year.

Tax and other receipts for the first four months of 1937 amounted to $1,614,889, an increase of $52,064 over the corresponding period of 1936. Prepayments of taxes amounted to $1,101,906 and collections of arrears to $451,014.

* * *

**Peterborough,** Ont., electrical and waterworks departments both report improvement in the first quarter of 1937. Revenue in the electrical department was $90,262, compared with $88,665 in the first quarter of 1936. Gross operating charges were $83,199 as compared with $84,609 last year. Net profit for the quarter was $7,063 as against $4,055 in the first three months of 1936.

Revenue in the waterworks department was $29,228 as compared with $28,818 last year. Operating charges at $24,500 were down $1,246.

* * *

**Quebec City** reports an increase of $94,391 in tax collections in the 1936-37 fiscal year, collections amounting to $5,635,027.

## London Opinions Vary On Newsprint Prices

There is some conflict of opinion in London on the prospects for the price of newsprint, overseas advices indicate. Lord Rothermere's Daily Mail has continued optimistic in its financial columns for higher prices for newsprint and better values for paper shares. Recently Stewart Gillies, financial editor of Lord Beaverbrook's Daily Express, commented that the export price of Canadian newsprint paper may advance to $55 a ton for the latter half of 1938 or in 1939. But he added that there is no justification for any rise beyond that. Recent quotations on Canadian newsprint shares, thinks Mr. Gillies, have discounted earnings based on a price of $55 a ton.

Readers will probably recall that in cables to The Financial Post, Lord Rothermere has forecast a rise of newsprint to $57 a ton in the latter half of 1938 and a price of about $65 a ton for 1939. Hiis predictions last summer of higher values for newsprint securities and higher prices for newsprint have proved remarkably accurate.

## Investment Foundation Earnings Are Higher

Investment Foundation Ltd. reports a net income the year ended March 31, 1937, of $104,079, equivalent to $3.49 a share on the preferred stock, on which dividends are in arrears to the extent of $5.75 a share. After deducting the regular dividend on the preferred, there was a balance equivalent to 21 cents a share on the common stock. In the preceding year net income was $77,654, or $2.61 a share on the preferred.

The balance sheet shows that, based on current market prices at March 31, the company's assets appreciated $715,309 during the past year. Investment securities had a book value of $2.7 millions, with a market value of nearly $2.9 millions. At the end of the 1936 fiscal year, the book value was $2.6 millions and the market value $2.1 millions.

**Income and Surplus Account**
Years Ended March 31

| | 1937 $ | 1936 $ |
|---|---|---|
| Gross revenue ........ | 116,718 | 89,922 |
| Less: Expenses ....... | 11,459 | 11,873 |
| Pfd. dividends ...... | 89,370 | 74,865 |
| Income tax ........ | 1,181 | 404 |
| Surplus .............. | 14,708 | 2,780 |
| Previous surplus ..... | 44,998 | 42,225 |
| Less: Tax adjustment | 29 | 7 |
| Surplus forward ..... | 59,677 | 44,998 |

## Office in Cairo Opened By Confederation Life

Confederation Life Association has further extended its field of operations, opening a central office at Cairo to cover activities in Egypt.

Announcement to this effect was made this week on the return of C. S. Macdonald, president, and C. D. Devlin, superintendent of agencies, from a trip to Egypt, India and the Far East.

## Bond Redemptions

| Bond Issues: | Rate | Year | Date | Price |
|---|---|---|---|---|
| Can. Paper, A .. | 6% | 1945 | June 4 | 103½ |
| Avon River Pr. D. | 5% | 1964 | July 1 | 103 |
| Can. Steamships | 5% | 1943 | Aug. 15 | 105 |
| Mar. T & T. A | 5% | 1956 | July 1 | 104 |
| Simpson, Robt... | 5% | 1952 | July 1 | 105 |
| Tor. Housing, A. | •5% | 1953 | May 25 | 105 |
| H. Walker-G. & W. conv. debs. ... | §4½% | 1945 | June 1 | 104 |
| Tooke Bros. .... | ▪7% | 1942 | June 1 | 107 |
| Mont Louis Seigniory .. .. | 6% | 1944 | June 1 | 100 |
| Aluminium ...... | 5% | 1948 | July 1 | 105 |
| Aluminium ...... | †5% | 1948 | May 25 | 105▲ |
| Asbestos Corp. .. | 6% | 1941 | July 1 | 100 |
| Do. .......... | 3-3½ | 1937-8-9 | July 1 | ... |
| Cred. Fon. Franco Can. .. | 4½% | 1956 | July 1 | 100 |
| Metropolitan Bldg. | 7% | 1944 | July 15 | 103 |

For sinking fund: •$37,000. †$300,421

▲Or less.

§$1,250,000; any of the debentures thus called may be converted into common stock of Hiram Walker-Gooderham & Worts Ltd. prior to June 1, 1937 at $45 per share.

▪For sinking fund purposes.

**Stock Issues:**

| | | | | |
|---|---|---|---|---|
| Can. For. Invest. | †8% | pref. | July 1 | 105 |

†$100,000.

**Religious Issues:**

| | Rate | Year | Date | Price |
|---|---|---|---|---|
| Soeurs du Sacré Coeur, Ottawa . | 4½% | 1937 | June 1 | 101 |
| La Congrég. de Saint Dom. du Tiers-Ordre Enseignant. Valleyfield .... | 5% | 1937 | June 1 | 100 |
| Soeurs Grises de la Croix, Ottawa . | 5% | 1937 | June 2 | 102 |
| Collège Notre Dame, Côte des Neiges | 4½% | 1937 | June 1 | 101 |
| Fabrique Saint Vital, Montréal-Nord | 5% | 1937 | June 1 | 101 |
| Soeurs Sainte Marthe ....... | 5% | 1937 | June 1 | 100 |
| Soeurs de Charité d'Halifax .... | 6½% | 1937 | July 1 | 105 |
| R. C. Bishop St. John ..... . | 3% | 1939 | July 1 | 101 |

## Bond Tenders

57c. May 25, Kemptville, N.S. — $25,000, 4%, 20-year.

*We Own and Offer:*

DOMINION OF CANADA
3¼% Bonds
Due June 1, 1949
Payable Canada
Amount of Issue $33,500,000
Price 99 and interest
To yield about 3.35%

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Ask THESE QUESTIONS
BEFORE YOU BUY ANY MOTOR CAR

*It will pay you* to ask the questions below, about any 1937 car you are considering. And remember that the *completely new* 1937 Hudson and Terraplane can answer "YES" to *all* of them.

Ask THIS ABOUT DRIVING AND RIDING

Does the car you are looking at "almost drive itself"? Can it offer you the latest and greatest 1937 driving advancement, which enables you to shift gears . . . at any speed you desire . . . without ever pulling a gear lever or pushing a clutch pedal? Can you drive it all day without ever taking either hand from the steering wheel? Has it a lower center of gravity? A solid, one-piece front axle, and long leaf front springs, wholly free from steering and braking strains?

Ask THIS ABOUT STYLE AND ROOM

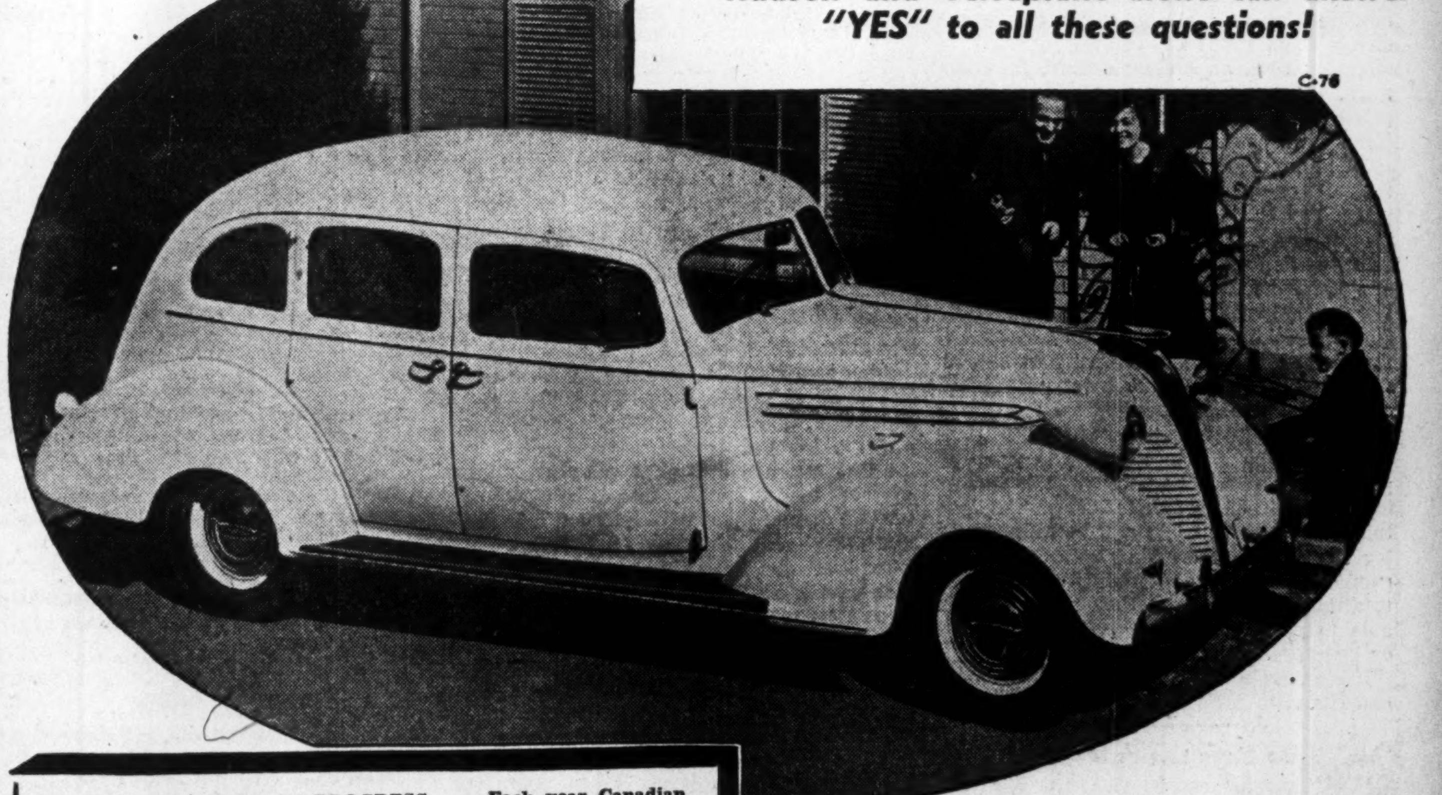
Is its style *completely* new . . . with longer, lower, more graceful lines? Have wheelbases been increased? Are bodies wider . . . front seat compartments a full 55 inches wide? Is there more head room, shoulder room, leg room? Plenty of baggage room? Is the rear floor *level* (no hump)? Can you have a front floor *clear* of brake and gear levers? Do fabrics, tailoring and equipment compare favorably with the costliest "luxury" cars?

Ask THIS ABOUT PERFORMANCE AND ECONOMY

Do you get more power than you find in any other car at the same price? Does the car merely *claim* performance and endurance, or has it *proved* them in the most punishing stock car "torture test" of all time? 40 new official records made by 1937 cars! Has it *proved* gasoline economy, at the everyday speed of 30 miles an hour . . . instead of offering only someone's extravagant estimate? Are all these tests *officially certified* by the American Automobile Association?

*Hudson and Terraplane alone can answer "YES" to all these questions!*

C-76



A STEADY MARCH OF PROGRESS . . . Each year Canadian highways are graced with more and more Hudson-built cars . . . Each year more dealers in more parts of Canada make more money selling Hudsons and Terraplanes . . . Each year Hudson's investment in Canada grows and with it grows the dependence of more and more Canadians on Hudson as a means to a profitable livelihood. Hudson's progress has been SOUND and steady, for Hudson's policy is sound and definitely geared for the future.

Today a great and enthusiastic dealer organization is enjoying one of the greatest years in Hudson history—with the finest cars Hudson ever built! Shipments of Hudson and Terraplane cars set a 7-year record during March of this year—and are still on the way up.

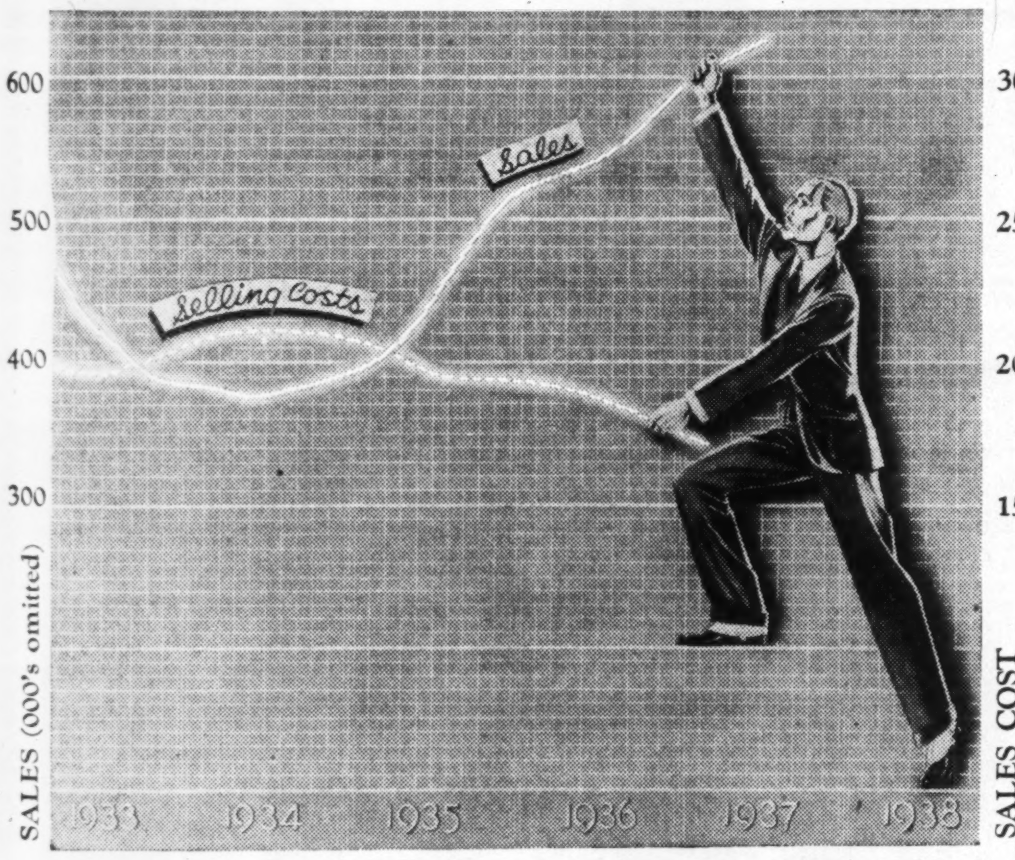
Drive CARS BUILT BY HUDSON
TERRAPLANE · HUDSON SIX · HUDSON EIGHT · COMMERCIAL CARS

TERRAPLANE —117-inch wheelbase—96 and 101 H.P.
$864 Plus government tax $51, total $915 for the 3-passenger coupe, retail at factory, Tilbury, Ontario. Price includes all standard equipment and safety glass. Freight, local taxes (if any) and license extra.

HUDSON Sixes and Eights—122 and 129-inch wheelbase—101 and 122 horsepower.
$1000 plus government tax $73, total $1168 for the Business Coupe, retail at Tilbury, Ontario. Price includes all standard equipment and safety glass. Freight, local taxes (if any) and license extra. $1090

Hudson Motors of Canada Limited - Tilbury, Ont.

SEE YOUR NEAREST HUDSON-TERRAPLANE DEALER TODAY



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*for more profits*

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SAINT JOHN OTTAWA EDMONTON
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# The Financial Post

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TORONTO, MAY 22, 1937

### The Financial Post's Platform for Canada

1. *Balanced budgets.*
2. *Abolish politics in C. N. R.*
3. *Merit system in public service.*
4. *Freer foreign trade through Empire preferences and foreign treaties.*
5. *Stable tariffs for balanced development.*
6. *Stricter laws to protect investors.*
7. *An even break for Canadian national newspapers and periodicals.*
8. *A modernized constitution.*
9. *Integrity in meeting public obligations.*
10. *Wider markets for our farms.*

## Will Prosperity Last?

HOW long will this prosperity last?" is a question agitating many minds. In each country, the local economist finds an answer that is influenced by domestic conditions.

Sir John Wardlaw-Milne, in Britain, thinks that his country can move ahead even further if some international standard of value can be found so that world trading may be facilitated. He wants the war debts, too, disposed of and he urges that Britain should defer all possible public spending, outside of re-armament, so that there will be a reserve of work to do when all the guns and airplanes and battleships have been built.

Other British commentators also stress the need of restoring world trade. If by the time the re-armament boom is over, world trade barriers have been hewed down and freer intercourse between the nations has been restored, then a major slump can be avoided. it is argued.

In the United States, there are several schools of thought. One school is very much worried about the "boom" and wants to control it. The "boom" lies in the inflationary rise of prices due not only to European rearmament but to the unbalancing of budgets in the United States and elsewhere which is constantly increasing the quantity of currency and credit available and in use. The problem is primarily one of using the instruments of control that are available. A Harvard writer puts it this way: "It is one thing to have the tools and another to be able to use them," which echoes what a high monetary expert in Washington said to The Financial Post recently: "We have gotten what we wanted—managed money—and now we don't know how to manage it."

General Dawes throws in his idea that their prosperity will march ahead, unhampered except by a minor correction in a couple of years, unless either world war or unbridled inflation intervenes.

The always pointed Col. Ayres decries current efforts to talk down the boom, averring that Washington is trying to lock the stable door before the country has got a horse.

In nearly every country human frailty and political exigencies combine to make boom control a demonstration of economic ineptitude.

In the world at large, things have been moving forward. Such prosperity as prevails stands upon props of varying degrees of strength: first, armament; second, inflation; third, the upward bounce of raw material prices from their exaggerated lows. But in place of these temporary scaffoldings there must be built more enduring foundations in the solid concrete and masonry of peace and trade. The United States, through Mr. Hull, is offering a statesmanlike chart to the world although there is no assurance that Congress and the American people are ready to follow through with Mr. Hull's programme even if other nations back it up. The countries of the Empire have an opportunity at London to lead the world toward more progressive and liberal trading policies.

If the present efforts to put the nations on a peace basis in economic and financial policies fail, then nationalism will be further intensified. Then speculations as to how long this prosperity will last will be quite futile, for war will most certainly come as hungry peoples revolt and discontented nations seek to attain by force what they have not been able to get either by peaceful negotiations or by sabre-rattling.

It is a race between economic disarmament and chaos.

## Who Pays the Sales Tax?

SOME newspaper editors in the West and in the Maritimes seem to be greatly troubled by the statement in The Financial Post that the people of their provinces are not beneficiaries under the present system of having the sales tax collected by the Dominion. These editors point out that on the basis of individual contributions the payments of their people are quite equal to the payments of people in Ontario and Quebec

This misses the point made by The Post. It is true that the man in British Columbia or the woman in Nova Scotia pays as much sales tax as the man or woman in the central provinces and pays it in the ultimate cost of goods and services. But if the sales tax became a provincial tax, most of the revenue would go to Ontario and Quebec —where industry and trade are relatively bigger—and yet the people in the other provinces would continue to pay the tax in the cost of what they buy. This would be the situation unless the sales tax were abolished in favor of a retail turnover tax.

The Post has never argued that the people of the East and the West do not pay their share of the sales tax. Of course they do. But it hopes that so long as the sales tax remains it will be collected and the proceeds distributed or spent in a manner that ensures that they will obtain their full share of the benefit.

## The Gold Headache

IN ALL the discussions about gold there is one idea that is worthy of constant repetition by leaders of opinion. It is this: that the basic trouble with gold is not that it is too high in price and not that it is too plentiful—a hazardous combination with any commodity—but that it is so badly distributed that it is not serving the world as it should.

There would be no need for the United States to "sterilize" gold if its trade and investment policies were such as to cause gold to flow where it is most needed.

The world's troubles cannot be cured by playing tricks with gold. The gold headache is but a symptom of world troubles. The problem of gold will solve itself as trade and capital flow attain larger proportions.

## New Deal is Strictly Limited

WILL Roosevelt seek to be the first president of the United States to serve three terms? Many Washington observers read such an aspiration into his current policies. The president continues to be more skilful in political management than in economic management. On the other hand, a well-informed Washington authority speaks of the third-term reports as "inspired." Its purpose, says this authority, is to prevent an open battle for control of the New Deal machinery.

There has been a good deal of idealism in the New Deal; but the idealists have been mere puppets for as crafty a crew of politicians as ever held power in Washington.

The avowed aim of the administration has been to provide a New Deal in business, finance, social relations, and industry. But there has never been the slightest notion in the minds of Franklin Roosevelt, "Jim" Farley and their subordinates that the United States was entitled to a new political New Deal.

Holding companies have been put under the ban but not the Spoils System. "Exploiting" industrialists have been exposed for taking a toll from the common man, but not the loafing job-holders. Wall Street has been told to keep its hands off the common people but national, state and district bosses are subject to the rule of no Federal Trade Commission.

Now, after four years of New Deal history, the big battle behind the scenes is for control of the New Deal machinery. It is this machine that is counted upon to deliver the victory in the next presidential election.

## Trade and Defense

IT IS no idle chance that brings together at the Economic Conference at London a discussion of Empire trade and defense problems.

When Empire trade policy had its last full-dress parade at Ottawa in 1932 the world had not begun its recent madcap armament race. Most nations (including United Kingdom) were then tearing headlong into economic rearmament by way of quotas, tariffs, exchange controls and the like. But there had been little widespread resort among the nations generally to turning industrial and human energies into the fateful manufacture of war machinery and equipment.

Until a few weeks ago the most talked-of feature of world affairs was this ghastly and expensive pursuit of military armaments which came to an inglorious crescendo with the announcement earlier in the year of the proposed expenditure by United Kingdom of over $7.5 billions. Few will question that this and most of the other billions currently being spent throughout the world for similar purpose, are in large part a result of the previous race toward economic armament.

Within recent weeks a new and more hopeful note has been interjected. At Washington, London, Ottawa and other capitals, the emphasis has once more turned toward possible measures of economic disarmament in the hope that along these lines lies the most effective counterweight to military armament.

In an even more intimate way these two major forces are entwined. Take, for example, the British Empire. When Canada negotiated a trade pact with the United Kingdom a few months ago a majority of the concessions sought and asked by Britain were dictated largely with an eye to her defense problems in time of war. Similarly with her treaties with other Empire countries and with the treaty she is now discussing with the United States.

By the same token, Canada has recently been conducting informal negotiations with Australia with a view to a more permanent and mutually satisfactory trade agreement. One of the items which Canada would like to sell that country in substantial volume is automobiles, but recent tariff changes have made it extremely difficult for this trade to continue under present conditions. The Australians know the new tariff makes prices to their own people excessively high but admit their primary motive is defense.

It would take a corps of experts many long years to unravel this complex of trade and defense to find out where one starts and where the other stops. It is a phenomenon which has always been in the world—perhaps always will be.

The significant fact is that the Empire Conference is putting trade problems first in its present deliberations. It is trying to avoid the neeed of using Empire defenses by finding first of all a way of dismantling existing economic defenses.

## A Voice from "The Sticks"

A PLAGUE on both your houses" is what the farmer and the consumer are inclined to say of labor monopolies and business monopolies when they arise.

The Newmarket Era, which says it speaks for those who live "in the sticks," cannot see where the farmers are going to get any benefit out of having an international labor dictatorship in Canada. It also objects to increases in the prices of manufactured goods, wherefor it argues:

> "Farmers, and those whose fortunes wax and wane with the farmers', are being trimmed by both finance and labor."

Someone might reply that the farmer has been getting the better out of the recent price advances. But let us not cavil at that. What is of significance in the Newmarket paper's comment is that the consuming public has its eyes glued to wages and prices and if either gets out of line with the public's buying power there will be protests.

## Editorials in Brief

**"Canadians"** fighting with the Government troops in Spain have organized what they call the "Mackenzie-Papineau" company. These boys who have gone to Spain to fight for the loyalists against the rebels seem to have forgotten their history. In their day, Mackenzie and Papineau were on the "rebel" side.

However, a little confusion is to be expected from a group of "Canadians" headed by a citizen of the United States and a Ukrainian.

* * *

**One widow** of a veteran of the war of 1812 remains on the pensions rolls of the United States Government. She is now 85, which means that she was born 40 years after the outbreak of the war for which she is now rewarded with an income of $50 a month. She was 19 when she married her war veteran-husband, a man of 71.

There is another 1812 pensioner, the daughter of a veteran.

"War" pensions are something of a racket in the United States, but in Canada we have been more careful in restricting them to those who deserve them.

* * *

**Mr. Aberhart** complains that he is tired of having to "explain so much to his followers.

"The establishment of Social Credit is not as simple as some would have you believe," said Mr. Aberhart the other day.

All anyone has asked him to explain is why he has not fulfilled his promises. Two years ago he saw no problems in establishing a system of Social Credit. He could do it singlehanded in 18 months, if given the chance. He has had his chance and has left Albertans with nothing but disillusionment which will shortly turn to dynamic dissatisfaction.

* * *

**News-Week** finds a great deal of "hokum" in the charge that the United States played dog-in-the-manger with its helium supplies, forcing the Germans to use inflammable hydrogen in the Hindenburg and thus making the recent tragedy possible

According to News-Week, President Roosevelt ruled more than a year ago that the Germans could have United States helium if they wanted it. But the Nazis "were confident of the ship's fireproofing, wary of helium's high cost, unwilling to put up scarce dollar exchange to buy the gas abroad, and loath to have the Zep's payload capacity sharply cut because of helium's inferior lifting power." News-Week adds that Commander Eckener's year of political disgrace resulted from his too-vigorous espousal of helium as against hydrogen.

## Sayings of the Week

"A mixture of misery and education is highly explosive."—*Sir Herbert Samuel.*

* * *

"We can pay our debt to past only by putting the future in debt to us."—*Lord Tweedsmuir.*

* * *

"If I have ever done anything wrong I must have done it in my sleep."—*Premier Aberhart.*

* * *

"An idea let loose cannot be recalled. It has an immortality all its own."—*Dr. Glenn Frank.*

* * *

"Truth will prevail but before now it has gone into eclipse for long periods." — *Sir Edward Beatty.*

* * *

"What on earth will you do in British Columbia if you don't increase your debt?"—*Premier Pattullo.*

* * *

"Never was it so essential for the British Empire to know how best to use its strength."—*Sir Samuel Hoare.*

* * *

"I am getting tired of having to explain every step to our followers to keep them in line."—*Premier Aberhart.*

* * *

"History shows that all improvements in labor have come out of industry and never out of coercion or politics."—*Henry Ford.*

* * *

"What worries me is the certain ruin threatening us from any prolonged disorder in any part of Europe."—*Benito Mussolini.*

* * *

"Labor has nothing to gain and everything to lose when people in their impatience throw over democratic processes."—*Sidney Hillman.*

* * *

"It is idle to imagine that we can cure the evils from which we are suffering with mere palliatives. No local remedies will suffice."—*Anthony Eden.*

* * *

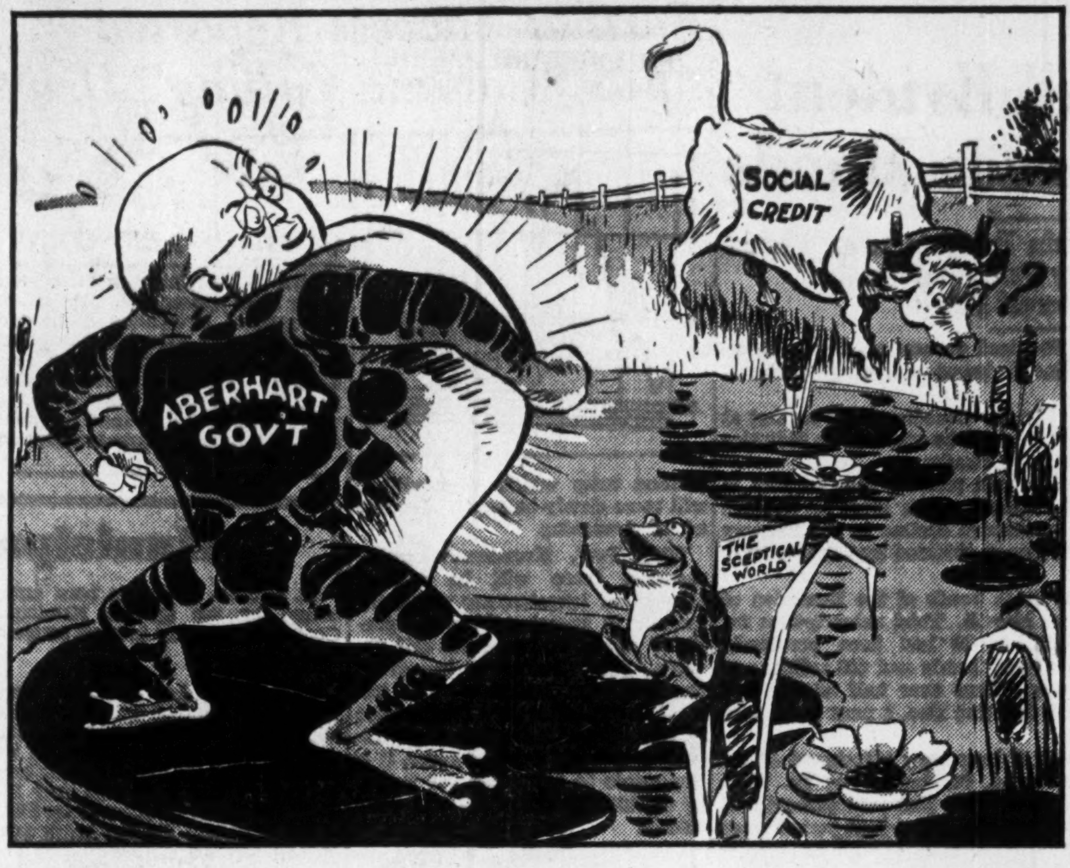
"We must be sure that in our desire for peace we will not appear to any other country weak or unable to resist the imposition of force."—*Cordell Hull.*

* * *

"Responsibility rests on us to see that our deliberations not only are of service to ourselves but may help toward the solution of those international problems which are perplexing the world."—*Stanley Baldwin at the Imperial Conference.*

* * *

"Enduring peace cannot be achieved without economic appeasement. Political tension will not be lessened without an abatement of the policies of economic nationalism and economic imperialism."—*Premier Mackenzie King at the Imperial Conference.*



—*Cartoon by Grassick.*

NEAR THE BURSTING POINT

## Five Points About Money . .

By CALLISTHENES

In Selfridge & Co.'s advertisement in the London Times.

The introduction of the coinage of the new reign will turn the thoughts of most of us into monetary channels. Money is something that everyone desires, however much they may protest to the contrary. Never regard too seriously the man who avers that money doesn't interest him. In his heart of hearts he knows that it does. So long as our world is run on a system of credit, cheques, exchange and currency, so long must money, and the means of acquiring it, mold at least to a degree the course of our individual lives.

To protest that this is not the case is almost always sheer cant. The acquisition and disposition of money involve at least five outstanding considerations. Necessarily first comes the making of it. Second, the saving of it. Third, the investing of it. Fourth, the spending of it. Fifth, and last, the leaving of it. Each is important in its own way.

MAKING MONEY. The young man, striding hopefully along the road of life, finds a position, probably a junior position but at all events a job. For his services he is paid so much per day or week, according to his value to his employers. He is beginning to "make money," whether over and above his living expenses does not matter. He is a money-maker.

SAVING MONEY. This youth, now a wage-earner, can teach himself to save money if the preoccupations of entertainment or indulgence are not permitted to take precedence. However small the amount put aside each week, he is at all events acquiring the saving habit.

INVESTING MONEY. When the savings of our potential Whittington begin to mount, he can entrust them to the savings bank with an easy mind. As he grows richer he may avail himself of expert advice and invest his accumulation in something which will give him a better return. He is then an investor.

SPENDING MONEY. The intelligent spending of money after it has been acquired is, in reality, a fine art in which surprisingly few people qualify for front rank. Most of us know of friends who have made money, saved money and have invested it judiciously or otherwise. But we know of few who succeed in getting the best out of their accumulated money, or who know how to spend it really intelligently. There is a whole world of difference between "getting rid" of money and deriving personal pleasure from the wise allocation of it.

LEAVING MONEY. Here is a question which those who have been blessed by fortune must decide for themselves. Experience has shown that otherwise shrewd men and women can be markedly unintelligent in this direction.

## The Influence of Travel . . . .

Hanover Post

"Travel," we are told by The Financial Post, Toronto, "has a beneficently broadening influence, particularly upon people with cramped minds and narrow views."

It then goes on to suggest that if Premier Aberhart of Alberta took advantage of the Coronation, went to London "and talked to enough people who understand the simple and accepted canons of economics, finance and money better than he understands them, it might be the making of him as a political administrator and the salvation of the people of Alberta."

While agreeing that it might be well for Mr. Aberhart to bask in the broadening influence of travel, there are a lot of other people in Canada who also ought not to be denied this boon.

There is quite a group of Communists who think Canada should have and will have a "Red" government. They ought to be sent to Russia to live under one for a while.

There is another group which think Canada needs a dictator. They should be sent to Germany or Italy to live under one for a couple of years.

The money barons of St. James Street ought to travel among the producers of Canada's wealth and realize how marble floors and polished desks are produced in miserable shacks.

A group of farmers should be sent to Denmark to learn why the Danes can sell more bacon in England than Canada does, without the aid of import duties and preferences.

Quite a group from Quebec ought to go to the coronation and learn that they belong to a British nation which practises civil and religious liberty.

Advocates of a puritanical Sunday ought to travel in the United States where they have an open Sunday, and also go to Russia where they haven't a Sunday at all.

Educational authorities in Ontario ought to go to Germany and see what kind of a nation is produced by the educational system there which is said to have served as a pattern for Ontario's system.

A group of Canadian ministers ought to go to Ethiopia and see the spreading of the benign influence of Christianity upon a backward nation.

Those who preach class consciousness ought to go to Spain and see the result when two bitter class factions clash.

Mr. Hepburn might well have gone to England, too, and learned the art of British diplomacy.

Mr. Croll and Mr. Roebuck might go to Russia and be comforted in the knowledge of what would have happened to them there had they refused to fall into step with the premier.

And, finally, The Financial Post ought to urge the people of its own city to travel.

## New Books . . .

### Russian Answers

THE SOVIETS. By Albert Rhys Williams. Published by George J. McLeod, Ltd., Toronto. Price $4.50.

How many governments are there in Russia? For that matter, what is Russia? What have the Soviets done to their churches? Are the Communist leaders still interested in the world revolution? Does the U.S.S.R. seek peace? Are the people well fed or hungry?

Mr. Williams, after many years of intimate study of the Russian picture from inside, has written a huge volume which poses scores of questions of this character and answers them according to what he believes to be the truth. It is a friendly study, so friendly that the answers occasionally gloss over defects and unpleasantries in order to present a picture that will win world sympathy for the colossal effort the Russian people are now making to restore economic and social stability to their country after the years of revolution and privation. Mr. Williams attempts to disarm the possible critic by admitting that he has deliberately put in the foreground the ideals and achievements of the Revolution rather than its negative features.

"The ordinary person," says the author, "goes to the Soviet Union expecting to find a people filled with the 'dear love of comrades,' with starlit faces marching toward the millennium.

"Instead he sees them going about their affairs much as they do elsewhere, intent on food, clothes, amusements. He runs into churlish, fumbling officials, turning the simplest transaction into an ordeal. He discovers red tape, bureaucracy, censorship, gross inefficiency, three persons often not doing the work of one. He observes beggars in the streets, women doing the work of men, overcrowded street cars and houses. Returning to his hotel he may find the elevator out of order, bugs in his bed, a cockroach in the soup, no stopper in the bath tub and two kinds of cold water running into it. 'So this is Communism!' he exclaims and goes forth to tell the world his sorrow and disillusion. All these and other negative aspects of Soviet life are set down in this book. If they are in the background it is because there is nothing peculiarly new or original about them in Russia, or for that matter in the world.

"In contrast to the sad failures and defects of the Revolution stands a long list of its accomplishments in all spheres of human endeavor. To the positive minded it is these things that are of real and lasting significance and interest. To state some of them briefly: The rapid transformation of a backward, agrarian, poverty-stricken country into a leading industrial nation. A system of planning working toward an ordered, wasteless development of the nation's resources and industries. Elimination of crises and depressions by striking a balance between production and consumption—putting money in the hands of the people to buy back the goods as fast as they make them. Abolition of unemployment with the right of every citizen to work, education and leisure written into the Constitution."

But having said so much in the introduction, Mr. Williams turns the rest of his volume over to an idealistic if comprehensive view of Russia today. He has apparently never suffered the disillusionment of William Henry Chamberlin, who has been the most analytical of the many writers on Russia.

### Western Streams

VOLUME 75, WATER RESOURCES PAPER. Prairie Provinces and Western Ontario. Issued by Dominion Water Power Bureau of the Department of Mines and Resources, Ottawa. No charge.

This number contains the results of investigations made by the Dominion Hydrometric Survey during the climatic years of Oct. 1, 1933, to Sept. 30, 1935. There are 276 pages of stream flow data covering the principal rivers and streams within the provinces mentioned, together with precipitation and evaporation data for the meteorological stations at Keewatin, Ont., and Pinawa, Man.

### Export Markets

CANADIAN TRADE INDEX. Published by Canadian Manufacturers' Association, Toronto. Price $6.

Primary object of this valuable business guide is to provide buyers and sellers, both in Canada and abroad, with an authoritative directory of the products manufactured in Canada and with the names of the firms making them. It includes a complete list of all Canadian manufacturers having more than a local distribution. Since its original publication in 1900 Canadian Trade Index has been greatly enlarged to meet conditions in both the domestic and overseas market. This enlargement has followed constructive suggestions from members of the Canadian Manufacturers' Association and from officials of the Dominion Government interested in trade. Each manufacturer in Canada is sent a revising form every year on which any changes in firm names or products are reported.

## Post-Scripts

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MANY a motorist has chuckled over the bright quips which appear on the "slate' at each of the Canadian Oil Companies' filling stations. We seldom fail to note them. Last week the customary quip was replaced with a message in keeping with the Coronation celebrations—"God Save the King." Down at the righthand corner of the slate the usual painted line appeared—"Copyrighted."

### A Single Word

WE LISTENED in the other evening to a discussion regarding the greatest public address ever delivered in Canada. All of the persons in the group had had peculiar opportunities to hear most of the great orators of the present generation and some of them were able to turn back the pages of their memories to the records of the last generation.

The decision of this group was unanimous; the finest Canadian public address within the memory of any one of those present was Rt. Hon. Arthur Meighen's "The Greatest Englishman." Hundreds of thousands of Canadians have heard it. He has delivered it in Vancouver, Ottawa and Toronto and possibly elsewhere. He spoke it over the radio more than once. It is a classic portrait of William Shakespeare, a thing of enduring beauty, of original phrase and apt quotation.

The address is permanently inscribed on a record at Ottawa. Possibly Mr. Meighen will give the address again some time, particularly of those who sponsor it will agree to have another record made. It has always disturbed Mr. Meighen, we are told, that in the record at Ottawa there is one small word misquoted. The address quotes scores of lines of Shakespeare's finest penwork. Mr. Meighen spoke without notes. He would have been excused had he made a number of minor errors; as it was he made only one. And it bothers him.

### Diplomacy in Business

PUBLIC relations are intangible and the best laid plans for promoting goodwill sometimes prove a boomerang.

One English firm, desiring to identify itself more closely with the French-speaking population of Quebec, went to great expense in publishing a French edition of its house organ. One issue contained a particular story of considerable interest to a French-speaking parish, which boasted of a small paper edited by the local priest. The president received a request in French from the priest for permission to reproduce the article. He was gratified at the response, but doubting his own ability to reply adequately in French, he passed the letter along to the advertising department with a note that permission be given.

The advertising department, the personnel of which is largely composed of French-Canadians, rose to the occasion by writing to the parish priest in English.

## In The Mail

(Not over 200 words, please)

### Gold and Prices

Editor, The Financial Post,

In your editorial headed "Another Look at Gold" you state "values in the United States have not equated themselves with the price of gold."

I would suggest the probability that this statement, which is freely circulated in United States, is quite wrong.

There is every evidence that devaluation of currencies had only a brief temporary effect on commodity prices in Great Britain, and there is also every evidence of the same thing in United States, the rise there being due to speculation as a result of Government propaganda backed up by huge Government spending and held up by the illegal N.R.A.

You will recall the commodity prices started to decline immediately this act was found illegal, but recovered again and went higher due to continued doses of American Government spending and European armament spending.

Again you state "How much more gold the United States is willing to buy at an arbitrary price is beyond any man's knowledge."

I think a moment's reflection will convince you this is misstated and that what they are doing is selling currency which is only, as United States has already proved, a doubtful promise to pay back the gold. Or as a British writer in The Financial Times, London, suggests as far as the entire shipment of gold to United States during 1936 is concerned it was exchanged for securities, and these, in my opinion at least, are much overvalued and in any case as soon as government credit breaks, the squandering which is putting prices of securities up will cease and the gold flew back when Europeans sell.

R. P. ROBERTS,
Vancouver.

Editor's Note: Whether or not prices in the United States must inevitably rise to the degree that the price of gold has been artificially raised, is something The Post has made no attempt to forecast. Wholesale prices in the United States are still about 10% below the price level that prevailed when gold was worth $20.67 an ounce.

British and foreign individuals buy securities and commodities in the United States. But it is the United States—as a government—that buys the gold.

## A Certain Moderation . . . .

By J. A. SPENDER,

Veteran English editor in The Fortnightly for April. Mr. Spender was knighted in the Coronation Honors List.

Our advanced thinkers must make up their minds, when they profess their adhesion to liberty and democracy, whether they are ready to conform to the rules by which alone liberty and democracy can be maintained. The first of these is that political differences must be kept within the boundaries of argument and reason.

This by no means precludes radical politics, but it does preclude revolutionary politics. Parliament cannot be made the instrument of a revolution. Our left-wing theorists seem unable to understand this simple proposition. They imagine that they have the benefit of both worlds: the world of liberty and democracy and the world in which the class that they favor holds in submission the class or classes that they consider the enemy. This is a delusion. Waged by whatever class, the class-war is fatal to liberty and democracy, and in western countries is almost certain to end in a Fascist dictatorship. It is useless to have plans for the regeneration of human society unless the regenerators understand the elementary business of holding it together in a framework of law and order, and will compose their differences sufficiently for that purpose. If liberty and democracy are to be safe, business must be carried on as usual, while the structure is being repaired.

## As Others See Us . . . .

### Familiar Figures

St. Catharines Standard

The Financial Post calls attention to some of the freak legislation passed by the Alberta Government and mentions the Postponement of Payment of Certain Indebtedness Act as the latest addition to the statutory roster. Gee Whillikins, any merchant who gives a line of credit knows who the P.P.C.I.A.'s are!

### Losers in Strike

Renfrew Mercury

The Financial Post observes that damage to property during a strike may be covered by insurance, but points out that there is no protection against loss of profits arising from strike activity. To which it might be added that if firms and companies suffer a loss not to be regained, there is no one losing more than the strikers themselves. Strikes are in one respect like war, neither side can be ranked as winners.

## Other People's Views . . . .

### Communism Undenounced

Welland Tribune

Associated with the affairs of the Lewis labor organization is a reputed alliance with Communism. Mr. Lewis may not have intended that Communism should play a part in his effort to oust the A.F. of L., but there can be no doubt that Communists have taken advantage of the opportunity to foment disorder and further their plans for World Revolution.

Mr. Lewis has not seen fit to denounce such tactics and so he merits the condemnation of all who have made a sacrifice to establish our social order and who appreciate the right to live in an environment of reasonable security from intimidation and violence.

## Stop Me If You've Heard This One . .

Political Speaker: "What we need is a working majority, and then—"
A Voice: "Better reverse it, mister. What we really need is a majority working."

**Week in Business**

# Business Speculates On Length of Recovery

## Normal Improving Trend Lasts Only Five Years But Present Situation Believed Different — Canada in Favored Position

How long will recovery last?

Continuing nervousness in world security markets has set business leaders pondering seriously on the possibility of a permanent change for the worse. Rather ominously the Bank for International Settlements in its recent annual report points out that it is now five years since the turning point in the last depression. "And in the history of business cycles," it adds, "the duration of an upward trend for a period longer than five years has been a very rare occurrence."

After ridding itself of this possible alibi, however, the report is decidedly more cheerful. It is admitted that the unusual combination of a simultaneous agricultural and industrial slump, of high interest rates, tariff wars, unstable currency and war debts made the last depression one of abnormal severity and duration. The farther business falls, it is argued the farther it must come up before any new prosperity is added. While the first signs of recovery did not start to appear in any country until 1932 only in recent months, states this international authority, has industrial production reached a volume comparable to 1929. Therefore it seems that real prosperity is only beginning.

• • • •

In any case neither the Bank for International Settlements nor any other leading world business prognosticators believe that any cessation of recovery is to be immediately followed by a drastic slump. What they do point out is that it is reasonable to expect some recession, perhaps only of brief duration, after a prolonged period of continuously improving conditions.

From a strictly Canadian standpoint, too, there is comfort in the assurance that recovery came much later to raw material producing countries and hence the natural assumption is that it will continue to operate much later in these countries. At any rate colorful General Charles G. Dawes, internationally known United States banker and incidentally one of the founders of the bank already quoted, predicts two more years of prosperity for this continent.

• • • •

Both opinions continue to be borne out by the bulk of current Canadian business statistics. External trade of Canada was up $25 millions in April over the same month a year ago and every single intervening month also registered an advance over the corresponding periods of the previous year. Railway earnings and carloadings continue to improve. Automobile sales, notwithstanding the recent serious strikes, are sharply higher. While there has been some easing from the spring highs in commodity prices, most of those of which Canada is a big producer are moving in the best volume since 1929. And stocks of those commodities including wheat are at the lowest point in seven years.

## Business Indicators

**Railways** — Returns for second week in May both lines well up over 1936 and comulative improvement to date running 10% above a year ago.

**Trade**—April figures continue to emphasize consistent gain in Canadian foreign trade. Both imports and exports advanced but increase in former most impressive as naturally many seasonal exports now passed peak.

**Finance**—April bond sales reported sharply lower but this drop is largely explained by heavy refinancing at this time last year. Actual amount of completely new financing both this year and last has been relatively light.

**Newsprint** — Production continues to gain. April figures and cumulative to date up 15% over a year ago.

**Current trend** of Canadian business is revealed in the following statistics especially compiled by The Financial Post; new figures this week beig marked thus▲:

| | WEEKLY DATA | | Cumulative Total Jan 1 to date | |
|---|---|---|---|---|
| | Latest 1937 | 1936 | 1937 | 1936 |
| **Transportation—** | | | | |
| Car loadings (May 8) | ▲51,174 | 47,262 | 852,621 | 767,861 |
| C.N.R. gross earn. (May 14) | $ ▲3,823,482 | $ 3,615,385 | $ 70,053,706 | $ 63,291,173 |
| C.P.R. gross earn. (May 14) | $ ▲2,737,000 | $ 2,693,000 | $ 49,158,000 | $ 45,112,000 |
| **Business Conditions—** | | | | |
| Weekly index D.B.S. (May 8) | ▲110.9 | 107.0 | ...... | ...... |
| **MONTHLY DATA** | | | | |
| **Business Conditions—** | | | | |
| Financial Post index (Mar.) | 118.3 | 106.0 | ...... | ...... |
| **Transportation—** | | | | |
| C.P.R. net revenue (Mar.) | $ 1,738,164 | $ 1,347,733 | $ 3,642,413 | $ 2,827,703 |
| C.N.R. net revenue (Mar.) | $ 1,762,380 | $ 941,533 | $ 2,317,496 | $ 76,741 |
| **Iron and Steel (Mar.)—** | | | | |
| Pig iron production (tons) | 70,986 | 55,009 | 199,381 | 172,096 |
| Steel ingots and castings prod. (tons) | 125,104 | 101,092 | 352,164 | 294,682 |
| **Automobiles (Number)—** | | | | |
| Passenger Cars | | | | |
| Domestic sales* (Mar.) | 13,378 | 9,490 | 30,701 | 18,548 |
| Factory output (Mar.) | 19,313 | 14,488 | 48,737 | 36,602 |
| Trucks and Buses | | | | |
| Domestic sales* | 2,924 | 2,208 | 6,666 | 4,237 |
| Factory output (Mar.) | 5,588 | 3,533 | 15,454 | 7,989 |
| Exports (Mar.) | 7,100 | 7,613 | 16,850 | 18,818 |
| **Construction—** | | | | |
| Building permits (Mar.) | $ 6,654,516 | $ 2,368,537 | $ 10,470,129 | $ 5,592,471 |
| Contracts awarded (Apr.) | $ 24,426,000 | $ 9,815,100 | $ 55,835,700 | $ 41,942,300 |
| **Newsprint (tons)—** | | | | |
| Production (Apr.) | ▲298,347 | 258,721 | 1,162,680 | 952,145 |
| Exports, tons (Mar.) | 284,934 | 256,563 | 777,422 | 625,525 |
| **Sugar (lb.)—** | | | | |
| Melting & sales§ (raw) | 50,257,619 | 50,095,059 | 127,777,586 | 114,520,555 |
| Manufactured§ | 49,055,445 | 46,454,923 | 122,175,841 | 113,600,438 |
| **Flour (bbls.)—** | | | | |
| Production (Mar.) | 1,098,544 | 1,171,741 | 3,106,868 | 3,172,746 |
| Wheat flour exports (Apr.) | 285,724 | 281,162 | 1,337,846 | 1,412,348 |
| **Trade—** | | | | |
| Retail trade (index no. of sales) (March) | 75.9 | 71.8 | ...... | .... |
| Imports (April) | $ ▲58,000,000 | $ 42,320,032 | $ 229,537,118 | $ 177,272,737 |
| Exports (April) | $ ▲66,907,258 | $ 57,964,176 | $ 315,373,497 | $ 260,088,149 |
| Wheat exports (bus.) (Apr.) | 3,617,803 | 6,572,364 | 23,517,460 | 41,517,038 |
| **Employment D.B.S. Index (Apr. 1)—** | | | | |
| All industries | 103.0 | 97.4 | ...... | ..... |
| Manufacturing | 110.8 | 101.1 | ...... | ...... |
| **Electric Power Output (Mar.)—** | | | | |
| Total monthly m.k.h. (000's omitted) | 2,412,259 | 2,135,640 | 6,876,743 | 6,165,115 |
| **Other Industrial Indices—** | | | | |
| Lumbering | | | | |
| Plank & board exports M. bd. ft. (March) | 148,837 | 142,062 | 426,606 | 309,655 |
| Boot & shoe prod., pr. (Mar.) | 2,387,124 | 2,110,598 | 5,798,641 | 5,459,797 |
| Crude petrol., imp. gal. (Mar.) | 50,483,343 | 65,383,199 | 157,542,315 | 166,169,464 |
| Cotton imports, lb. (Mar.) | 15,462,512 | 13,558,113 | 42,770,417 | 45,221,720 |
| Raw rubber imp., lb. (Mar.) | 5,851,745 | 4,052,065 | 12,334,403 | 12,246,613 |
| Coal imports, tons (Mar.) | 623,071 | 506,260 | 1,684,476 | 1,489,780 |
| Cigarette cons. (Mar.) No.† | 435,537 | 371,089 | 1,301,048 | 1,045,565 |
| **Finance—** | | | | |
| Bank debits (Mar.)† | $ 3,189,836 | $ 2,598,811 | $ 9,149,126 | $ 8,356,326 |
| Bond sales (April) | $ ▲46,331,500 | $ 104,669,391 | $ 435,482,731 | $ 515,960,505 |
| Life insurance sales (Mar.) | $ 31,998,000 | $ 30,552,000 | $ 90,301,000 | $ 92,733,000 |
| **Automobile Financing (Mar.)—** | | | | |
| Used cars | $ 2,625,014 | $ 1,770,044 | $ 5,688,844 | $ 3,747,176 |
| New cars | $ 3,317,005 | $ 2,192,004 | $ 7,091,232 | $ 4,348,527 |

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000's omitted. §For 4 weeks to Mar. 27.

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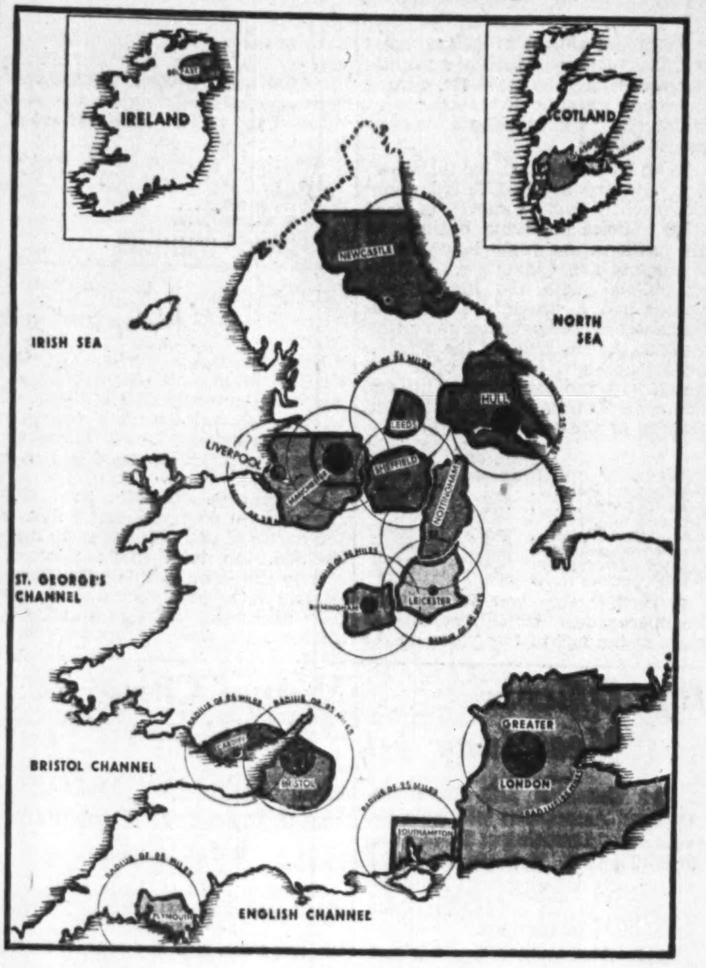
# Further Success Reported For "Canada Calling" Drive



Canada will continue its "Canada Calling" advertising campaign for foodstuffs in Great Britain and Northern Ireland.

Last winter sales were reported stepped up substantially in staple lines and more than doubled in more recently introduced products, in the special areas where activities were concentrated. Large size newspaper display advertisements, prominent street posters, films, radio addresses and other means of publicity were employed to arrest the attention of British food buyers.

Unfortunately in the initial campaign steps were not taken in all cases to insure an ample reserve of stocks. In consequence some consumers found difficulty in locating the various Canadian products advertised. Leading Old Country merchants reported advances up to 25% in sales of staple lines such as apples, cheese, bacon, canned salmon and other fish. Comparatively new introductions like prepared breakfast foods, macaroni, canned tomatoes and other fruits and vegetables gained well over 100%.

The map shows the special areas where the recent Canada Calling campaign was concentrated. A consuming population of close to 25 millions was reached.

## Background of Business

### *Coffee Leads Tea*

For the first time in history Canadian consumers are now reported drinking more coffee than tea. But the margin of the former is still very slight. In the fiscal year ended March 31 coffee imports amounted to 40.9 million pounds as compared with approximately 37 million during 1936. Tea imports were approximately 40.6 millions as compared with 37.1 millions the year previous. Canadian Grocer announces increases of approximately 10% for medium grade tea and the possibility of similar increases very shortly in the higher grade packaged varieties. Tea prices, it is said, have been advancing steadily since the first of January. Under an export restriction scheme the leading tea producing countries—India, Ceylon, Java and Sumatra—have agreed to export not more than 82½% of what they shipped a few years ago.

* * *

### *Hardware Prices Ease*

While hardware prices continue to fluctuate considerably, the sharply rising tendency of a few months ago appears to have been checked. Goods that largely depend on base metals for their production have either been reduced or are stationary in price. This applies to solder, tin and copper goods. A material drop has also occurred in the price of turpentine, a basic material in paint. Its counterpart, linseed oil, is reported stationary. Recently paint prices were advanced by most Canadian manufacturers but because of special spring introductory sales which had already been arranged for, some of the companies did not raise their prices as soon as others. However, reports Hardware and Metal, it is believed that practically all companies have made some increases in keeping with higher costs. Building paper of all kinds, harness hardware, steel and wood tackle blocks, files, ropes and ground glue are reported slightly higher.

* * *

### *Summer Reading*

"How to Win Friends and Influence People" and "Gone With the Wind" two best book sellers of the past year still appear to be among most popular as summer approaches though neither can be remotely considered in the light reading class. Leading Canadian retail book stores, according to Bookseller and Stationer, report that these two works, the first non-fiction and the second fiction, continue to move quickly. Other lines of fiction sought readily by the public are "Blind Man's Year," "Theatre," "West in Her Eyes," "Four Men and a Prayer" and "Busman's Honeymoon."

By long odds the most popular non-fiction seller is "How to Win Friends and Influence People," though "Edward VIII," "Inside Europe" and "An American Doctor's Odyssey" also appear to be wanted.

* * *

### *Goodwill Motor Service*

When the salesman has secured the buyer's signature on the bottom line, too often, it is claimed, that ends all interest in the products sold. Hudson Motor Car Co., however, is making sure that this criticism will not apply to it. With sales of any new Hudsons or Terraplanes now go a little 24-page owner's manual. This in convenient reference gives the new owner a list of essential items requiring attention at various mileages throughout the life of the car.

At purchase the new owner is advised to make a permanent record of key numbers and to register battery and tires with the dealer. He is urged to keep tires inflated to recommended pressures. A chart is prepared showing exactly what is necessary in the way of service at various mileages from zero upwards. Stress is laid on regular oiling, greasing, and polishing.

The owner is warned frankly that gasoline, oil and tire consumption runs as much as 50% higher at high speeds than at moderate rates of travel. He is urged to study local traffic laws and to take extra precautions on night driving. Essentially the purpose of the manual is to help the owner get the longest and most satisfactory service out of new purchases, to stimulate Hudson, Terraplane goodwill.

# Montreal Coke Watches Tariff

## Ontario Application on Coke Has Vital Bearing on Industry

From Our Own Correspondent

MONTREAL. — Montreal Coke Manufacturing Co., jointly controlled by Montreal Light, Heat and Power and by Koppers Co., is watching closely the application made to the Tariff Board by the city council of Windsor and the coal merchants of that city and of western Ontario for free entry of coke from the United States. A public hearing of this application will be held by the board on June 14.

The chief complaint of the applicants is that the price of coke to Canadian consumers is increased by an addition of duty and excise tax of $1.22 a ton and also that Ontario coke producers are unable to meet the domestic demand for this domestic fuel.

While the application is mainly concerned with the manufacture and sale of coke in western Ontario, the principle involved affects all other coke manufacturing companies in the Dominion in the event that the Tariff Board decides upon any change in the existing duty and excise tax.

Montreal Coke's coke is sold in and around greater Montreal, while the other products are more widely distributed. All the company's surplus gas is sold to Montreal Power.

No particulars are available as to production and earnings of Montreal Coke but it is understood that in recent years sales have been greater than production.

All of the company's capital stock is owned jointly by Montreal Power and the Koppers Co., but a bonded debt of $3.4 millions of first mortgage bonds was sold to the public in 1935 by Collier, Norris and Henderson.

## Short Weight Charges Laid During the Year

Almost 400 "short weight" and "unjust scale" charges were levelled at grocery stores and meat markets during the last fiscal year by the Federal Department of Trade and Commerce. Charges were based on the examining of almost 125,000 samples. Of this about 30,000 samples were overweight, 75,000 correct, 20,000 short. Quebec had the dubious honor of heading the list with 120 charges upheld in court. Ontario was not far behind with just a trifle over a 100. Of total convictions numbering 265, over 91% or 243 concerned independents and nearly 9% chains.

## Halifax Cargo Movements Record Good Gain in April

From Our Own Correspondent

MONTREAL.—Port of Halifax handled 192,792 tons of cargo during April, as against 171,963 tons for the same month last year. Both inward and outward cargo registered gains, imports advancing from 72,161 to 89,124 tons, and exports from 99,802 tons to 103,668 tons.

Cumulative returns for the first four months of this year show a total movement of 818,801 tons, made up of 379,006 tons inward and 439,795 tons outward. For the same period last year the total cargo of 794,259 tons, was made up of 398,375 tons inward and 395,884 tons outward.

## Commodities

A drop of two cents a pound in rubber quotations to 20 cents a pound emphasizes the unsettled condition of rubber markets in recent weeks, largely due to the policy of U. S. consumers who are refraining from any but immediate commitments. On the other hand consumers are not too well covered for future requirements.

Cotton and raw sugar are other commodities to show easier price tendencies in latest quotations, but cattle, wheat and silk markets display sufficiently firmer price trends to leave the general level of commodities little changed.

Canadian commodity indices indicate a steady level for representative commodities in all groups. Copper remains unchanged in spite of a somewhat uncertain outlook pending a meeting of the Copper Restriction Committee on June 1.

Comparative figures follow:

| PRICE RANGE | Latest week | Previous week | Same week last yr. |
|---|---|---|---|
| Cattle | $8.50 | $8.45 | $6.00 |
| Hogs | 9.25 | 9.40 | 8.75 |
| Copper, lb. | .14 | .14 | .09½ |
| Cotton, lb. | .1326 | .1358 | .1172 |
| Rubber, lb. | .2088 | .2250 | .1570 |
| Sugar, raw, lb. | .0338 | .0345 | .0372 |
| Silk, lb. | 2.09 | 2.06 | 1.56 |
| Wheat Man. (bu.) | 1.30¾ | 1.29¼ | .76⅞ |
| Coffee, lb. | .09¾ | .09⅝ | .08⅝ |
| Hides | .15 | .15½ | .10½ |
| **Weekly Indices** | | | |
| N. Y. Annalist | 142.2 | 143.0 | 119.6 |
| Fishers' | 92.7 | 93.3 | 81.0 |
| N. Y. Journal of Comm. | 90.7 | 91.0 | 77.3 |
| Crumps (Brit.) | 94.2 | 92.4 | 68.1 |
| U. S. Labor | 87.9 | 88.3 | 79.5 |
| Canada (D.B.S.) | 85.3 | 85.1 | 71.9 |

| Monthly Indices | Latest month | Prev. month | Same last year |
|---|---|---|---|
| Canada (D.B.S.) | | | |
| Retail (Apr.) | 82.2 | 82.0 | 79.8 |
| W'sale (Apr.) | 86.1 | 85.3 | 72.3 |
| United States (Apr.) | 144.4 | 143.5 | 123.8 |
| Gt. Brit. (Feb.) | 91.0 | 90.1 | 80.3 |

Note: The base of indices is that 1926 equals 100. The British index is that Board of Trade converted to 1929 = 100 base. U. S. is Annalist 1913 base.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price, Toronto: Copper-electrolytic, New ork: Silk—Japanese, 13-15, New York: Sugar—96 degrees centrifugal c/f New York: Wheat—No. 1 Man. North. Ft. W.-Pt. A. Basis: Hides—No. 1 packer light native cows: Hogs—select bacons, Toronto.

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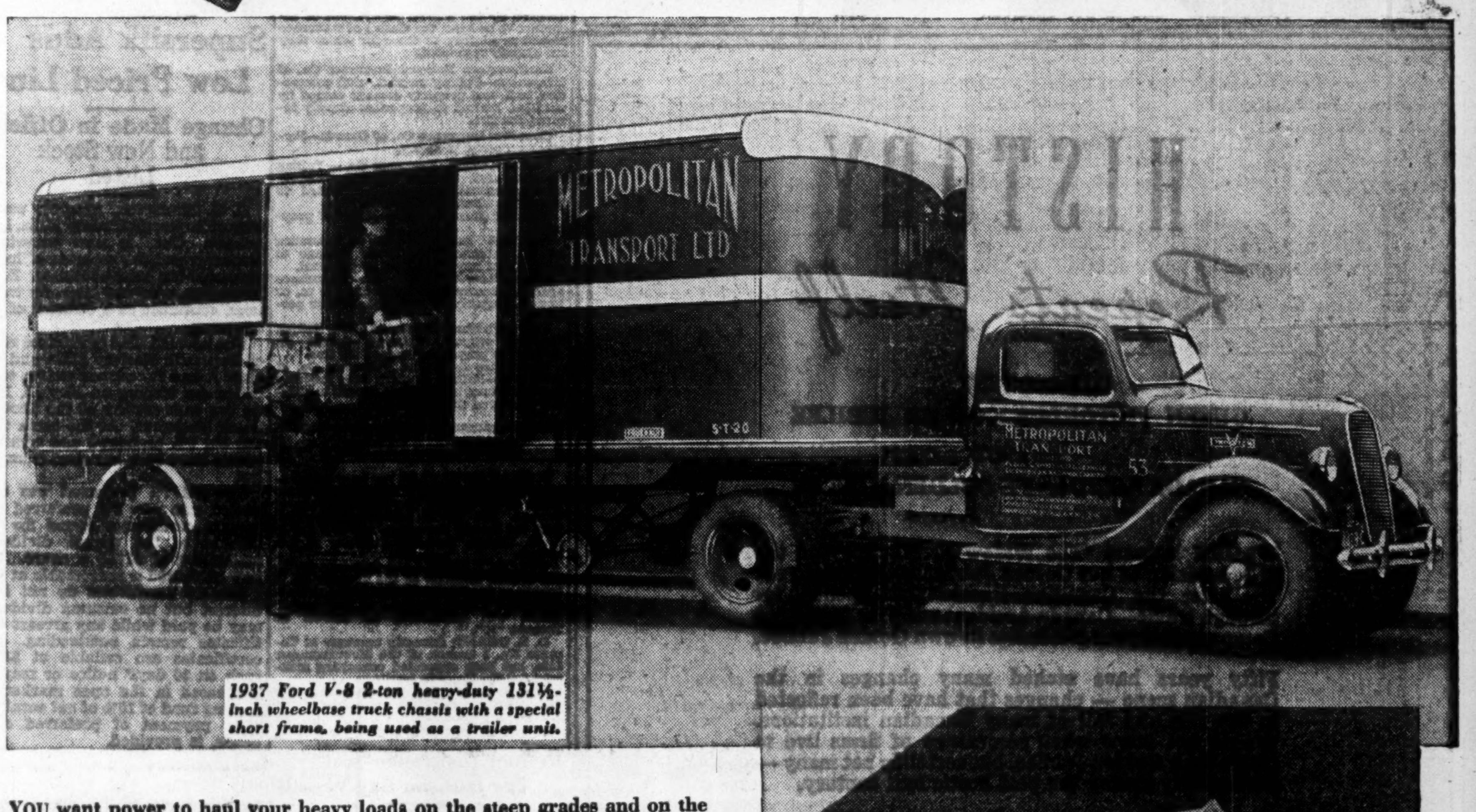

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**Fire and Casualty**

# *Premium Volume Gains In First Four Months*

If business in the first four months of this year may be taken as representative, fire and casualty insurers will likely show an increase in premium volume during 1937 for the first time since 1929.

It should be kept in mind, of course, that the business is not a stable one, and that it is too early to paint a very definite picture. However, it is probable that most companies wrote a greater volume of business in the early part of this year than a year ago. Perhaps more important, many prominent men in the business feel that improvement will be more pronounced in the last half of the year.

To obtain an approximate opinion of how things are shaping up, The Financial Post this week consulted 10 company groups. In this number were included board and non-board, mutual and stock companies. Only two reported that volume of fire business was under that of last year. All reported somewhat higher figures for automobile and casualty lines.

### Losses Also Higher

Unfortunately from a company standpoint, loss figures are also running ahead of a year ago in all three lines. In most instances, however, the increase is said to be small. While greater amounts have been paid in fire claims, the total is still abnormally low. The increase in automobile losses is not as great as was expected by some observers. Casualty lines are not much changed from 1936.

The general opinion is that there will be further increase in premium volume before the year end. The view is taken that the insurance business was one of the last to be seriously affected by depression. It is showing a similar lag in emerging from it, but in recent months has given indications that it is on its way. Some company managers state that there is a better "tone" to business this year. Most people are more optimistic. Collections have improved.

In predicting increased income for the last six months of 1937, one of the managers whose group failed to show gain in fire volume points out that in recent years any normal increase has been offset by the decline in fire rates. Most attribute improvement to improved business conditions generally. As business increases, so will the need for insurance. And people will be better able to afford it.

While most company men feel that business is once more on the upgrade—in respect to volume at least—some contend that the fire insurance business has passed its zenith; that it is in a state of transition; that it is doubtful if it will ever again be as important as it was six or seven years ago.

Marine covers, it is explained, are taking some of the business from the strictly fire classification. Comprehensive forms of insurance are becoming more popular. From a fire insurance viewpoint, construction is improving. Fire prevention methods are more efficient. And at present, at least, it is contended, people have been lulled into a sense of security. There has been no major conflagration for a number of years. Consequently, they no longer feel the need to carry as much insurance.

Higher loss figures in the fire business were not unexpected. For the last three or four years, loss totals have been phenomenally low. The ratio of losses to premiums dipped last year to an all-time low figure. Company officials have stated for some time that this was too good to last. They point to rising property values, which mean, of course, that more will have to be paid to replace loss. It is stated that over the last few years, when money has been even scarcer than usual, repair work has been delayed. Buildings on which insurance is carried have become older; are more susceptible to fire.

### Auto Experience Expected

The trend of automobile business is running true to form. Even with rates at last year's level, it was freely predicted that the increasingly heavy motor traffic would hoist premium volume. When the rates were jacked up about 5% last month, an increase in volume was considered certain. It is rather surprising that only one of the companies consulted by The Financial Post reported a "substantial" increase in business.

As traffic increases, so do accidents, as the insurance companies are only too well aware. Only one group of companies stated that claims were under the 1936 figure, although most report only a slight increase.

Volume of business in casualty lines is difficult to gauge because of the variety of coverages. All companies, however, reported gains ranging from "very slight" to almost 10%. Losses are running about even with last year, perhaps slightly higher.

### Non-Board Competition Keen

As yet there is no indication of a wholesale transfer of business back to board companies. One of the most pronounced trends in the business in recent years has been the increasing proportion written by non-board companies. Much of this, board companies contended, was because of the difference in price. When business is bad, people pare costs wherever possible. Non-board companies usually write business at a considerably lower rate.

It has generally been considered that when times improved some of this business would swing back to the board companies. It is stated, however, that non-board competition is just as keen as ever. No definite trend to the board companies is yet apparent.

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FIRE. WINDSTORM. AUTO. CASUALTY

## *ASSISTANT MANAGER*

J. H. Harvey, for the last three years superintendent of Ontario agencies for the Great American group of insurance companies, who has been appointed assistant manager of those companies for Canada.

Prior to his association with the Great American, Mr. Harvey was a junior partner of the general insurance agency of Murphy, Love, Hamilton and Bascom, and spent eight years as chief inspector of the Ontario manufacturing department of the Canadian Underwriters Association.

## Phoenix Insurance Appoints President

G. C. Long Jr., has been elected president of the Phoenix Insurance Co., and its affiliated companies, succeeding the late Edward Milligan. Mr. Long has been vice-president of the Phoenix, Connecticut Fire and Equitable Fire & Marine since 1923.

A former president of the South-Eastern Underwriters Association, Mr. Long has represented insurance in the United States Chamber of Commerce and has served on prominent committees of leading company organizations.

## Smith New President of Home Insurance Co.

H. V. Smith has been appointed president of the Home Insurance Co. and the City of New York Insurance Co., succeeding Wilfred Kurth who has been appointed to the newly created position of chairman of the board of both companies. Mr. Smith was formerly vice-president.

It is anticipated that the directors of six of the affiliated companies—Franklin Fire, National Liberty, Baltimore American, Gibraltar Fire & Marine, Paul Revere Fire and Home Indemnity—will take similar action.

## Pacific Coast Fire Writes $1.2 Million

Net premiums written in all lines of insurance last year by the Pacific Coast Fire Insurance Co. amounted to almost $1.2 millions, with net underwriting profit of $61,553. Surplus gained by $105,191 during the year and assets advanced $412,602 to $2.9 millions.

At the recent annual meeting, it was reported that connections and new business in the United States had developed materially. It will be recalled that the company took out a New York license about a year ago.

**Life Insurance**

# Life Payments $2.8 Billions

### Canadian and American Companies Distribute Huge Sum in 1936

Life insurance payments to policyholders and beneficiaries in the United States and Canada in 1936 totalled $2,829.3 millions, according to a compilation by the National Underwriter.

In the last five years, the companies have paid out $15,862.5 millions, the peak year being 1932, when $3,557.7 millions were distributed.

Of the 1936 total, 62% of payments went to living policyholders and 38% to beneficiaries. Death claims amounted to $1,059.4 millions; matured endowments and annuities. $315.1 millions; disability claims and additional accidental death benefits, $128.5 millions; and payments for premium savings and cash surrender values $1,326.3 millions.

### Increase in Claims

Life insurance companies paid $23.7 millions in double indemnity claims in 1936, compared to $21.7 millions in 1935.

Permanent total disability claims totalled $104.8 millions in 1936, a sharp increase over the 1935 total of $96.7 millions.

There was one $2 millions life insurance claim paid in 1936, two $1 million to $2 millions, 13 from $500,000 to $1 million, 20 from $250,000 to $500,000, 85 from $100,000 to $250,000, 256 from $50,000 to $100,000 and 255 from $50,000 to $30,000.

### Comparison of Assets

Despite the fact that the life insurance companies were paying out nearly $3,000 millions to policyholders and beneficiaries, the total assets increased from $24,857.1 millions in 1935 to $26,618.1 millions in 1936. On December 31, 1936, there was $110,770.8 millions total insurance in force. Ordinary life in force totalled $79,420.7 millions industrial, $19,234.3 millions and group $12,075.8 millions.

The strength of life insurance organizations is evidenced by the $18,919.5 millions net reserve maintained on life insurance in force and a $2,400.7 millions reserve for annuities. Last year life insurance premium income was $3,869.5 millions. The total income was $5,680 millions. In 1936 15,726.3 millions new life business was written and a gain of $4,217 millions made in insurance in force.

## $300,000 Life Insurance Held by Senator Burns

The late Senator Pat Burns was a staunch believer in life insurance. In his estate are listed no less than 21 policies, varying in amount from $5,000 to $84,246. The aggregate value is more than $300,000. In addition, profits on the policies amounted to almost $44,000.

The various companies with which the policies were placed, and the amount involved, are as follows:

| Company: | Number of Policies | Amount |
|---|---|---|
| New York Life | 6 | $32,549 |
| Mutual of New York | 2 | 10,000 |
| Sun Life | 3 | 89,648 |
| Canada Life | 3 | 30,000 |
| Great-West Life | 3 | 30,000 |
| Equitable Life of U. S. | 1 | 15,000 |
| Mutual of Canada | 1 | 84,246 |
| Imperial Life | 1 | 8,000 |
| Group policy—Burns & Co. (Imperial Life) | . | 3,000 |

## New Licenses

The following companies have been licensed by the federal department of insurance to transact the classes of insurance named in addition to those for which they are already registered:

**Northwestern National Insurance Co. of Milwaukee**—Falling aircraft, civil commotion, hail, and property damage caused by vehicles, limited to properties already insured for fire.

**Guardian Insurance Co. of Canada**—Personal property, property.

**London-Canada Insurance Co.** — Falling aircraft, civil commotion, and property damage caused by vehicles, limited to properties already insured for fire.

**Imperial Insurance Co.**—Personal property.

**Guildhall Insurance Co.** — Insurance against intentional or other damage to property of any kind, real or personal.

**British Law Insurance Co.** — Insurance against intentional or other damage to, or loss of, property of any kind, real or personal.

**Fireman's Fund Insurance Co.** — Falling aircraft, property damage caused by vehicles to properties insured for fire.

**Home Fire & Marine Insurance Co. of California**—Falling aircraft, hail, property damage caused by vehicles, limited to properties insured for fire.

## Insurance Inklings

**F. GRAHAM TAYLOR** has been appointed agency assistant in the Bay St., Toronto office of the Mutual Life Assurance Co. of Canada. Mr. Taylor has been connected with the agency since 1924, and is a son of J. G. Taylor, formerly manager of the branch.

**WALLACE McMILLAN**, formerly assistant branch manager of the Toronto No. 1 branch of the Manufacturers Life, has been appointed branch manager of that agency which will henceforth be known as Toronto "M".

**D. E. GRANT**, formerly manager at Toronto No. 1 branch of the Manufacturers Life, has been appointed consulting manager for the Toronto territory.

**Fess & Smith, Ltd., of Winnipeg**, this year celebrate their 30th anniversary.

## Reduce Insurance Cost For Hudson Bay Vessels

The Joint Hull Committee of the Imperial Shipping Committee has announced a reduction of two shillings and sixpence on each £100 value in insurance rates on vessels going to Hudson Bay.

The reduction, which amounts to ⅛%, applies only to vessels equipped with Gyro compasses. The maximum rate for such vessels will now be one shilling sixpence a ton on gross registered tonnage plus 15 shillings percentage on insured value.

# *Great-West Life Surveys "Persistency" of Policies*

From the viewpoint of the agent and the company, which plans of life insurance stand up best? Or, putting the same question in another way, which plans will remain on the company's books?

In an attempt to answer this question, the Great-West Life Assurance Co. recently made a survey of some 9,000 policies involving business of $20 millions. As might be expected, it was found that investment policies or policies with the higher cash values had a greater second year "persistency" than protection plans. Pension policies showed the greatest percentage still in force after two years, with limited payment life and endowments following in that order. Results of the survey follow:

| Plan: | Percentage in force after two years | Average Premium per unit |
|---|---|---|
| Double insurance | 72.3 | $31.00 |
| Term policies | 77.2 | 9.00 |
| Ordinary life, incl. family protection | 77.9 | 24.00 |
| Endowment policies | 82.9 | 46.00 |
| Limited payment life | 83.3 | 32.00 |
| Pension policies | 84.2 | 50.00 |

A further step was to ascertain the percentage which remains in force at the end of two years on the basis of the amount of insurance involved. To obtain this information the 9,000 policies were divided into four groups according to the face value of the policy. Findings are as follows:

| Amount: | Percentage in force after two years | Average size of policy |
|---|---|---|
| Less than $2,000 | 76.2 | $1,010 |
| $2,000 to $2,999 | 78.4 | 2,100 |
| $3,000 to $5,999 | 80.3 | 4,172 |
| $6,000 and over | 79.5 | 10,520 |

## Confederation Writes $3.9 Millions in April

New insurance written by the Confederation Life Association in April amounted to $3.9 millions, of which $3.3 millions was ordinary and the remainder group. Insurance in force at April 30 was $402.7 millions.

Comparative figures for 1936 show new ordinary business during the month at $3.6 millions and group $345,586, the total being approximately the same as this year. Business in force last year was materially under the 1937 figure at $390.8 millions.

## *Life Officers Meet June 3-4*

The Canadian Life Insurance Officers Association will hold its 44th annual meeting at Toronto on June 3 and 4. It is planned that this year's meeting will be considerably wider in scope than have those in the past.

While the agenda has not yet been finally determined, it is understood that a number of prominent speakers will direct attention on the general theme of the responsibilities of life insurance companies and their obligations to the community. Plans also call for more detailed discussion of committee reports.

# Dom. Scottish Earnings Rise

### Investment Trust Expected to Show $2.70 a Share on Preferred

Dominion-Scottish Investments Ltd., Toronto, is expected to report earnings for the fiscal year ending May 31, 1937, of approximately $2.70 a share on the preference stock. This compares with $1.87 a share reported for the year ended May 31, 1936. During the past year the company sold $750,000 of 4% collateral trust debentures, part of which were offered to holders of preference stock in exchange for their shares.

It is understood that the net assets of the investment trust behind each preference share will also show a substantial increase at the end of May above the $46.82 a share at the end of May, 1936.

Declaration of a dividend of $1.75 a share on the 5% cumulative preference stock brings total payments for the year on this stock to $2.50 a share, or 5%. The current dividend will be paid June 1, 1937, to shareholders of record May 20, 1937, and is for the quarter ending May 31, 1937.

## Supersilk Adds Low Priced Lines

### Change Made in Officers and New Stock Listed

J. G. Thompson, formerly secretary of Supersilk Hosiery Mills, Ltd., London, Ont., is now secretary-treasurer and the separate office of treasurer has been abolished. R. W. Robertson, who was formerly treasurer, continues as a director of the company.

The new 5% first preference stock of Supersilk Hosiery Mills and the class A and B common shares were called for trading on May 15, 1937, on the curb section of the Toronto Stock Exchange. At the same time the old 7% preferred and common shares have been removed from the list.

The old 7% preferred was converted into new 5% preferred and arrears certificates issued for the amount of the unpaid dividends amounting to $17.50 a share. The new preferred is redeemable at par.

Arrears certificates do not bear interest but no common dividends may be paid while any arrears certificates remain outstanding. The certificates are callable at $17.50 each on 30 days' notice or may be purchased in the open market. A sinking fund of 10% of net earnings, after payment of preferred dividends, is provided.

## Mutual Citizens Has Record Year

### New Business, Ordinary and Industrial Climb to New Highs

New business written in both ordinary and industrial lines by the Mutual Life and Citizens' Assurance Co. last year, was the highest in its history.

Celebrating its 50th anniversary, the company wrote a total of 101,156 policies for sums assured of £10.8 millions. Income increased by £409,207 to £3.7 millions. Rates of interest were more than maintained.

Of the new business written during the year, £7 millions was for ordinary insurance, an increase of 45% over the previous year. Expense ratio moved slightly higher at 14.8% of premium income. The amount of surplus allotted to "with profit" shareholders for reversionary bonuses was again substantially increased.

In the industrial branch, premium income mounted to £787,919, compared with £715,585 in 1935, while expense ratio was very slightly higher at 32.37%. Interest earnings were just about the previous year's level.

Business in force at the year end amounted to £68.9 millions; an increase of £5.7 millions. Reserves on ordinary business were further strengthened during the year by placing them on a 2¾% basis instead of 3% as formerly. Industrial business continues at 2½%.

Total assets at the end of 1936 amounted to £25.2 millions, of which £19.3 millions are in government securities and loans to public bodies. Policy loans amount to £1.8 million and loans on mortgage £2.9 millions.

Payments made to policyholders during the year aggregated £1.7 million, bringing the total payments since inception of the company to £33.4 millions.

### North American Life Claims

Fifty-one claims were paid by the North American Life Assurance Co. in March, aggregating $95,510. Premiums received on these policies amounted to $42,149, and dividends of $4,533 had been made to the policyholders during their lifetime.

HISTORY
Repeats Itself

From 1887
QUEEN VICTORIA'S GOLDEN JUBILEE
To 1937
CANADA ACCIDENT'S GOLDEN JUBILEE

BORN to toast "The Widow of Windsor" on the occasion of her Golden Jubilee — just one year after the Canadian Pacific was opened for through traffic—Canada Accident and Fire Assurance Company this year celebrates its own Golden Jubilee.

Fifty years have etched many changes in the Canadian scene — changes that have been reflected in the rise and fall of many Canadian institutions. We do not know what percentage of firms live to attain their Golden Jubilee, but certainly not many—particularly during the past hectic half century.

That this company has safely overcome the many difficulties — avoided the many pitfalls — attained this notable milestone in its unhurried progress through the years — is a tribute to straight thinking, to maintenance of sound principles of insurance practice and to its unswerving policy of loyalty to its agents and utmost fairness in its dealings with their clients.

CANADA ACCIDENT AND FIRE ASSURANCE COMPANY

FIDELITY
Insurance Company
of Canada
TORONTO

$1,143,727 in Dividends
PAID TO OUR POLICYHOLDERS IN 1936
Each year this "mutual" company distributes its surplus or profits to the policyholders in the form of dividends. Why not earn dividends on YOUR fire insurance in 1937?

BRANCHES ACROSS CANADA
Toronto
Hamilton
Ottawa
Montreal
Quebec City
St. John
Halifax
Winnipeg
Saskatoon
Calgary
Edmonton
Victoria
Kelowna
Vancouver

NORTHWESTERN MUTUAL FIRE ASSOCIATION
Non-Assessable Policies Assets $6,000,000.

COMPLETE SECURITY
WHATEVER HAPPENS

"Is it possible to obtain security for myself and family through all the years to come, whatever happens? . . ."

The answer to this question is the
SUN LIFE FAMILY PROTECTION AND RETIREMENT POLICY
— a plan which, in one contract, covers the contingencies of the future.

WHAT IT DOES
If you die an early death, it provides—
1.—Cash to settle debts.
2.—An income for your family.
3.—An income for your wife.
If you outlive the necessity for insurance protection, the policy can be converted into one providing—
4.—An income for yourself.

WORLD WIDE
SUN LIFE OF CANADA
SECURITY SERVICE
THERE'S A SUN LIFE POLICY FOR EVERYONE

A Company whose reputation for
UP-TO-DATE SERVICE
is one of its greatest assets.

Since 1895

The CANADIAN FIRE INSURANCE CO.
Winnipeg Toronto
Calgary Vancouver

THE DOMINION LIFE ASSURANCE COMPANY
Keeping Pace with the Progress of Life Insurance
ESTABLISHED 1889 — HEAD OFFICE — WATERLOO - ONTARIO

IN
GREAT BRITAIN
ITSELF
ABERDEEN
GLASGOW
EDINBURGH
NEWCASTLE-ON-TYNE
LEEDS
LIVERPOOL
MANCHESTER
SHEFFIELD
NOTTINGHAM
BIRMINGHAM
NORWICH
BRISTOL
READING
SOUTHAMPTON
LONDON
SOUTHEND
PLYMOUTH
BOURNEMOUTH
BRIGHTON

In Great Britain itself, the "Home of Life Insurance", Confederation Life Association has thousands of policyholders.

It speaks volumes for the reputation of the Confederation Life Association that the conservative Englishman and the careful Scotsman place their confidence, as well as their savings, in the policies of this great Canadian institution.

CONFEDERATION LIFE
ASSOCIATION
HEAD OFFICE - - - TORONTO

# Your Investments

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## Reanite Corporation

Please give me a comprehensive summary of Reanite Corporation. Is there a market for the shares?

Reanite Corp., Ottawa, was incorporated Nov. 2, 1936, with an authorized capital of 40,000 shares. It acquired the assets of Ideal Power Productions Ltd. and the contracts of Russell J. Reaney, Ottawa, for 26,988 shares. Also, 4,000 shares were recently offered by the company at $25 each, and we understand that there will be about 30,000 shares issued.

The company is the beneficial owner of patents for a product called "Reanite" described as "a new adhesive or bonding material" made from rubber, and said to have a potential market in the automobile industry, in rubber manufacturing, for paints and other uses. The company states it has a contract with responsible parties in the United States for manufacture and sale of "Reanite" for an immediate cash payment for license and a share of profits as royalties.

The company has four acres of land at Eastview, Ottawa suburb, with a factory building, and is installing machinery for manufacturing operations. It is estimated that $50,000 of the proceeds of sale of shares will be required for completion of the building and for machinery.

Russell J. Reaney, Ottawa, president of the company, will own control as he receives the majority of shares issued in connection with the acquisitions mentioned in the foregoing. Other directors are Senator Hon. W. H. Sharpe, Ottawa; P. C. MacLaurin, Belleville; R. Kenneth Lee, Detroit; and three Toronto men, Donald Dow, John Westren and Holland Pettit.

There is no earnings record, but auditors state that accounts of the predecessor firm, Ideal Power Productions, for the past three years show no profit or loss as all expenditures were carried forward as unamortized development work. Balance sheet of Reanite Corp. at Nov. 16, 1936, shows current assets of $22,940 and current liabilities of $13,146, leaving net working capital of $9,794.

As an "invention" company, Reanite Corp. is an uncertainty from the investment viewpoint. Sometimes such "invention" investments produce large earnings but often they fall by the wayside. There is no market for the shares, as far as we can ascertain, and their value will depend upon developments in the future which cannot be appraised completely in advance.

## International Utilities

I am a substantial holder of class B stock of International Utilities for which I paid $10 a share. Is there any good reason why they may not return to that level?

It is impossible to say whether the class B stock of International Utilities will eventually recover to $10 a share. There does not appear to be an immediate prospect of such a price, but a long period of rising earnings might make dividends possible.

Earnings of International Utilities showed marked improvement in 1936, net profit amounting to $759,728 compared with $494,349 in 1935. Full dividend requirements were earned on the three classes of preference stock and $2.43 a share on the class A stock. Annual dividend requirements on the class A stock are $3.50 a share. Working capital increased during the year by $500,000 to $4.8 millions.

An adverse factor in the outlook for the class B stock is the substantial amount of dividend arrears on the $1.75 preferred and on the class A stock. On March 1 of this year dividend arrears on two issues of prior preferred stock were paid off and these prior issues are now on a regular dividend basis. However, there are arrears of dividends of $6.50 a share on the $1.75 preferred of which there is 95,708 shares outstanding. On the class A stock dividend arrears amount to $19.25 a share and there are 124,062 shares of this stock outstanding. Since all dividend arrears will have to be liquidated before any payment can be made on the class B stock it is obvious that there will have to be a very substantial increase in earnings before class B shareholders can hope for any return.

## Champion Mortgage

Have you any information on Champion Mortgage Corp. and its operations?

Champion Mortgage Corp., Edmonton, sells installment savings certificates on which the purchaser is required to make regular deposits. In the early years of the certificate substantial costs, such as those of selling, are deducted so that cash surrender values are small. Consequently, it is important for the purchaser to be sure of his ability to maintain payment throughout the certificate period so as to reach the maximum advantages which, with proper management, should accrue in the latter years.

## Dominion Woollens Bonds

Will you outline for me the position of Dominion Woollens & Worsteds bonds?

Dominion Woollens & Worsteds, Ltd., earned its bond interest 1.71 times before depreciation in the year ended June 30, 1936. After deducting allowance for depreciation, however, there remained practically nothing for bondholders. For the year ending June 30, 1937, we understand that there will be some improvement but no definite figures will be available until after the end of the fiscal year. The past year has been one of steadily rising prices for wool, particularly with regard to the coarser grades. The company is fairly well protected against loss from rising raw material prices. Although most of its sales are made under contract at a fixed price with deliveries to be made over a period of several months or a year, it is the company's policy to cover itself by purchasing the raw materials required for each order at the time received. Reduction in tariffs of British woollens through the recent trade agreement will affect some grades of the company's products, but exactly how much is not known. No interest can be paid on Dominion Woollens & Worsteds 6% first mortgage bonds if working capital would be reduced below $1 million by such payment. It is understood that working capital will not have reached this figure by the end of the present fiscal year and this will prevent any payment of interest. Interest is non-cumulative until June 30, 1937, after which date it becomes a fixed charge with the first payment due Jan. 1, 1938. The general record has not been impressive, and the prospects for regular payments therefore remain uncertain.

## Rogers-Majestic

What are the prospects for a higher market price for Rogers-Majestic Corp. shares? Is the company likely to pay a dividend?

Rogers-Majestic Corp. has a somewhat erratic record. It has just concluded an improved year and is expected to show earnings sufficient to eliminate the deficit of approximately $111,000. This would mean earnings of over 50 cents a share compared with two cents a share in the year ended March 31, 1936. There is not much prospect for a dividend as the surplus, if any, at March 31, 1937, will be small. With the sluggish summer season coming on, there is little immediate prospect of unusual developments to influence the price of the shares. Maintenance of last year's earnings would mean a reasonably attractive return on the shares although the company may require profits to increase working capital and be unable to pay dividends.

## Toronto Elevators Pref.

Can you give any reason to account for the drop in price of the new preferred stock of Toronto Elevators compared with the common?

The provision of some $775,000 additional capital through the recent financing strengthens the position of Toronto Elevators preferred shares but the preferred no longer has conversion privileges. In comparison with the old preferred, the present stock sells on a straight investment basis rather than on the basis of a possible conversion. It appears that the fall in prices is not out of line with the general market decline.

We understand that the company's earnings have shown marked improvement this year. The change in capital makes comparison of earnings on a per share basis on the common somewhat difficult. It seems likely, however, that earnings will exceed $2.50 a share.

## George Weston Ltd.

Do you know of any reason for the recent weakness in market price of George Weston Ltd. common?

Common stock of George Weston Ltd., is selling at approximately its low for the year. This compares with a high of $18.50 last January. While this represents a drop of about $3 a share, it must be remembered that this has taken place along with a general slump in the whole stock market and is not a case of an individual stock getting out of line with the rest of the market. Earnings for 1936 were $1.11 a share on the common compared with $1.08 in 1935. Dividends of 85 cents a share were paid in 1936, representing a yield of approximately 5.4% at the present price. A net profit of $90,739 has been reported for the first three months of 1937 compared with $76,197 in the corresponding period of 1936. Earnings from the bread company for the 1937 period were stated to have decreased because of rapidly rising price for flour but some assistance may be felt from a recent increase of one cent a loaf in the price of bread. The company has expanded rapidly in the past four years and now operates in the United States as well as Canada. Common shares have been split twice on a two-for-one basis, resulting in a dilution of the common stockholders' equity in spite of a rapid rise in earnings until 1936. Evidence of a tendency for earnings to become more stabilized and of rising costs which may reduce profit margins, suggest that the same rapid growth in earnings may not continue.

## Dominion Gas & Electric

What is the position of Dominion Gas & Electric 6½% bonds?

In recent years Dominion Gas & Electric Co. has been able to earn the interest requirements for its 6½% collateral trust bonds, due 1945, by a good margin. In 1936 fixed charges, after deducting prior charges of subsidiaries, were earned 2.27 times after depreciation compared with 1.47 times in 1935. Improved earnings have been accompanied by strengthened working capital and, in contrast to an excess of current liabilities over current assets for the years 1931-34 inclusive, net working capital has grown to $988,363 at the end of 1936. These bonds are secured by deposit of stocks of three of the company's subsidiaries which distribute natural gas and electricity in Calgary, Edmonton and other centres in the Province of Alberta and thus do not constitute the first charge on the public utility operations.

## Alberta Bonds

What is the situation with regard to Province of Alberta bonds?

The Province of Alberta is paying interest on its bonds at one-half the coupon rate, with the minimum payment set at 2%. Interest is also being paid at one-half the regular rate on overdue bonds. Reserve funds of the province are being steadily depleted and little sign of recovery is seen in business conditions. Activities of the present Social Credit Government are not encouraging recovery, but it may eventually be possible for the province to retrace its steps. Under the present Government the outlook for bondholders is gloomy.

## George Weston Foods

Can you give me any information about the operations of George Weston Foods, Ltd.?

George Weston Foods, Ltd., was formed in 1935 as a holding company to control the activities in Great Britain of George Weston Ltd. and allied British, American and Canadian interests. In April, 1936, George Weston Ltd. disposed of its 25% interest in George Weston Foods Ltd., the British holding company. The 250,000 shares of 10-shilling par value were offered to shareholders of George Weston Ltd. in the form of rights entitling them to purchase shares at $2.50 per share up to June 1, 1936. Holders of George Weston Ltd. preference shares were offered rights to purchase two shares in the English company for each preference share held, and common shareholders were given rights to purchase two shares for each five shares of George Weston Ltd. common held. This transaction left the Canadian company with no direct interest in operations in Great Britain. Approximately $625,000 was received by the Canadian company from this sale. George Weston Foods, Ltd., is now the largest biscuit company in Great Britain. Garfield Weston is in active charge of the English operations as well as being president and managing director of the Canadian company. Total value of the Weston companies' interests in the British Isles is reported to be about £2,500,000. The companies own 15 plants and have an annual turnover of more than £3,000,000. However, we have not yet received complete statements of the British firm's earnings and finances.

## Gurney Foundry

Can you give some recent information of operations of Gurney Foundry Co.?

Net loss of Gurney Foundry Co. in 1936 was $7,693 before provision for interest on bank loans and mortgage bonds. Interest on bank loans required $9,707 in 1936. There were, therefore, no earnings available for bond interest and the company's auditors point out that depreciation provided in recent years has been inadequate. The company reports that outlook for 1937 is somewhat better because of general improvement in business in Canada. It is too early to be sure that the spurt in building will give the company the volume that it needs for satisfactory operations in its boiler and radiator business.

## Canadian West. Lumber

Can you give me a report on recent operations of Canadian Western Lumber Co.?

From earnings of $1¼ million in 1936, compared with $710,000 in 1935, Canadian Western Lumber Co. was able to pay all arrears of sinking fund on its first mortgage debentures and provide full sinking fund for 1936. A payment of 5% is being made on the company's income debenture stock on June 1, 1937, the first such payment since 1931. There is approximately $5.5 millions of debenture stock outstanding and arrears of interest exceed $3 millions, or about 60% of the face value of the debentures. It is problematical when arrears payments can be made. The business is largely for export, and has been greatly improved by the recovery of the pound sterling to about $5 three years ago, and by last year's Canada-U.S. trade agreement. There is still a possibility of higher exports to the United States.

## Anglo-Can. Telephone

Would like to have your opinion on Anglo-Canadian Class A stock and what the market price is at present.

Anglo-Canadian Telephone class A stock now sells around 10¾. The regular dividend rate is 12½ cents quarterly. In addition the company declared an extra of 5 cents in 1936 and it is anticipated that somewhat similar action will be taken this year. The company is an investment company, which, through its subsidiaries, owns telephone systems in British Columbia, Dominican Republic and the Philippine Islands. Their report for 1936 showed total income of $669,178, as compared with $406,799 in the seven months ended Dec. 31, 1935. Earnings on the class A last year amounted to 56 cents a share as against 36 cents a share for the last seven months of 1935.

# Walker-G. & W. Earnings Placed at $8 a Share

Hiram Walker - Gooderham and Worts Ltd. will probably show earnings of $8 a share on the common stock for the year which ends next Aug. 31, an official states to The Financial Post. This year's increased earnings are due largely to higher sales and elimination of illicit liquor sales in the United States market.

Due to conversion of 4¼% debentures, the number of common shares outstanding is now approximately 724,000 compared with 660,000 shares last year. Earnings available for the common in 1936 amounted to $3,345,302 after payment of some $460,000 in preferred dividends. To reach $8 a share, net profits would have to total some $5.8 millions this year after preferred dividends.

For the six months ended Feb. 8, 1937, the company showed earnings of $4.59 a share for the increased number of common shares compared with $3.17 a share in the six months to Feb. 29, 1936. The preliminary earnings statements do not provide for U. S. surtax on undistributed profits.

Dividends are being paid at $2 a share annually at present.

### Recapitalization Plan

Plans for cleaning up the arrears of dividends on the preferred of General Steel Wares Ltd. are coming to a head. John C. Newman, president, is reported to have received approval of the large English shareholders to a recapitalization plan, details of which will probably be announced in the next few weeks.

## The Woman Investor

A woman investor asks about the use of the services provided by a trust company in managing a fund of $10,000. It is stated that a reasonably conservative policy is needed, with income important and some attention to be paid to increasing the capital.

In general, trust companies provide two different types of services for the management of capital entrusted to them. The first of these is what is known as a living trust where the owner of the capital is still alive.

In a living trust the extent of the services to be provided by the trust company is specified in each agreement and wide variation is permitted. Unless exceptions are mentioned, however, investments will be restricted by law to what are known as trustee investments. Safety of principal is emphasized in trustee investments and income is likely to be low. Also there will be very little chance for capital appreciation.

If this type of investment does not fill the needs of the woman investor, any exceptions which are wanted can be named in the agreement and the scope of permitted securities widened. Once the agreement is fixed, however, the trust company will not exercise power outside of those mentioned.

Costs of establishing and managing a living trust may vary and will be the subject of negotiation between the owner of the capital and the company. Generally a basic fee will be ¼% of capital invested where investments are to be restricted to bonds and ½% if mortgages are included. The reason for this variation is given as the greater amount of work involved in looking after mortgages which is compensated by the higher income obtained. A minimum fee of $25 may be set.

The other general type of management service provided by trust companies for individuals is where they act as executors for estates. Here, again the investments which will be used will be subject to the terms of the will, or court order creating the trust agreement, and conditions are approximately the same as for a living trust.

Cost of this service is set by the court and depends on the amount of work involved. For an estate of approximately $10,000, as mentioned in this case, the fee would be around 5% of annual income. This would be made up of 2½% on income and the same amount on disbursements. Fees allowed the trust company by the court will vary from 1% to 5%. In addition to this, where the agreement covers a long period, a management fee of around 1/5% may be required.

# Canada Starch Plans Stock Split

## Shareholders Meet May 28 to Consider 5 For 1 Split of Common

Shareholders of Canada Starch Co. will consider a proposal to split the common shares at a special general meeting at Montreal on May 28. Directors feel that the interests of the company would be served by increasing the number of common shares and therefore propose issue of five new shares for each present common share.

At present there are 11,865 common shares of $100 each outstanding. The first by-law to be considered by shareholders involves writing the shares down to a par value of $25 each. This would reduce the capital value for balance sheet purposes from $1,186,500 to $296,625. The difference of $889,875 would be used to write down goodwill. Then, it is proposed to sub-divide the 11,865 shares of $25 each into 59,325 shares of $5 par value.

There are 30,691 shares of 7% preferred stock outstanding, and these would receive five times as many votes per share as the common stock under the proposed arrangement.

The company's report for 1936 shows net profits available for dividends of $310,845 after all charges. After preferred dividends of $214,837, the balance of $96,008 was equivalent to $8.09 a share on the outstanding common stock.

The company's current assets at Dec. 31, 1936, amounted to $1,945,093, compared with current liabilities of $388,629, leaving net working capital of $1,556,464.

The company has no funded debt.

CANADIAN SECURITIES
Dominion and Provincial Government Bonds
Municipal Bonds
Public Utility and Industrial Financing
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Hazards of fire, theft or loss daily threaten your private papers, securities and other valuable possessions. Assure their safety by keeping them in one of our
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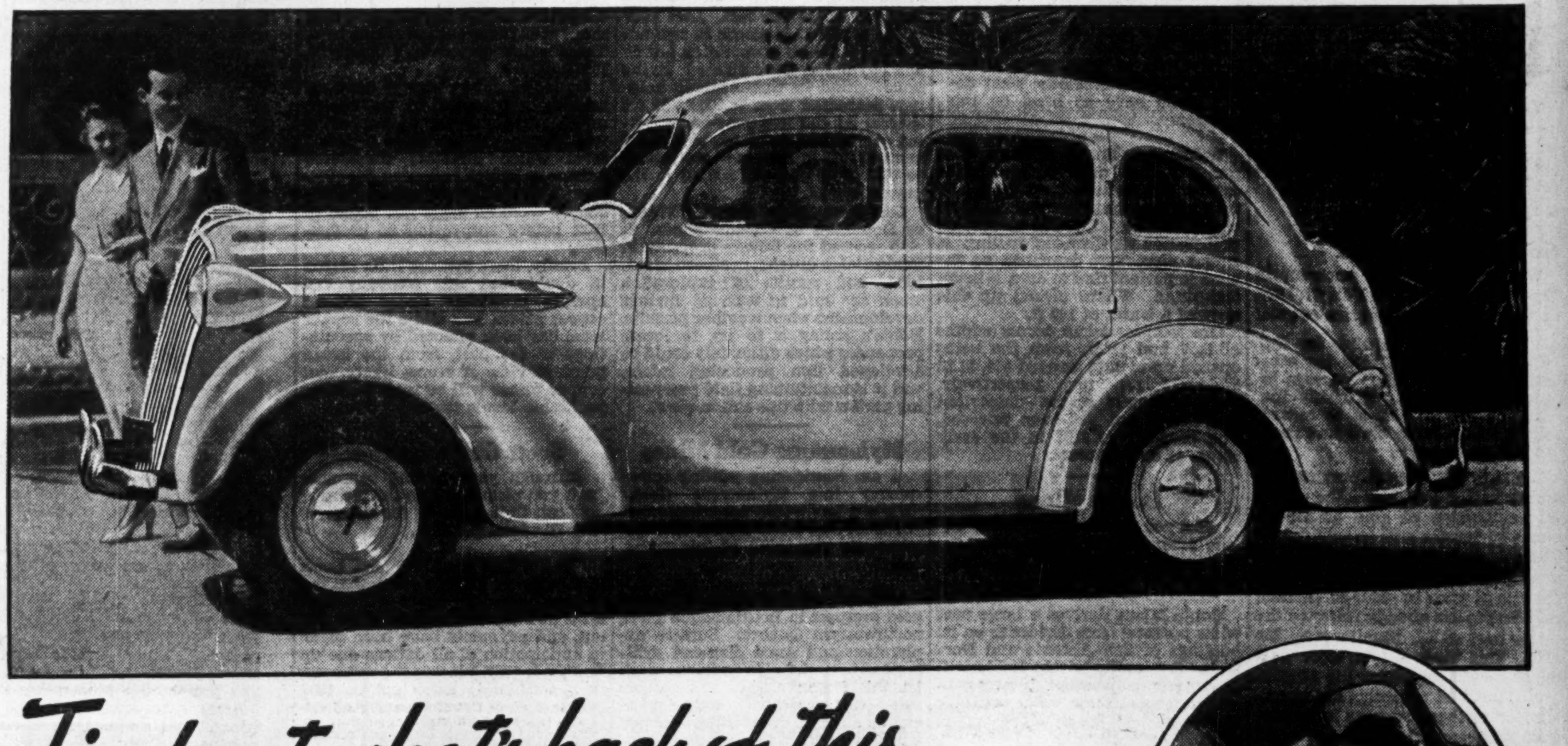

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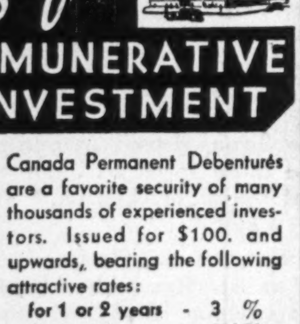

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**Week in Mining**

# Lower Copper Supply Significant for Investor

## Decline of Supplies of Metal Indicates Firm Market While Production is Catching Up With Demand, — Support for Gold Also Important

The decline of world stocks of refined copper by 25,070 tons in April is of significance to base metal mines. It reflects the rise of industrial demand which promises to keep metal prices firm for some time.

There is another significant figure in the April copper statistics. Production was 215,740 tons compared with 204,150 tons in March. The growth of production, however, has lagged behind the increase in consumption. So far, so good. It will take time to expand production, but it is already under way. When production catches up with the increase in demand, the cream will be off base metals. We have not come to that yet, but it is an important landmark for the investor to watch for.

One British investment manager informs us that his company switched out of gold shares about two years ago. But he still favors retention of base metal shares.

### *Mining Stock Prices*

The period of technical weakness in industrial stocks has contributed substantially to the softness of mining shares in the past two months. While there is a close relationship between the decline of mining shares and the slump of industrials, the mines have suffered a more severe setback. This is partly due to greater speculation in mining shares.

Stock market averages show a decline of about 15% in Canadian industrial shares from this year's highs. In comparison, there has been a net decline of nearly 30% in the averages of the Toronto Stock Exchange, for instance, for gold shares and base metal stocks.

What now for mining stocks? Although both gold shares and base metals declined together with the weakness in industrials, the probability now seems to be for divergence of price trends. It would seem reasonable, for instance, that older gold stocks should work into a comparatively stable level; that prices for shares of developing mines should return to fluctuations largely dependent upon developments at the properties; and finally that base metal shares should be firm based on the prospective earnings situation. Even with the recent setbacks in prices, base metals remain high enough to indicate rising profits for the mines this year.

* * *

### *Support of Gold*

The Bank of England announced recently that it had bought £5 millions of gold from the British exchange stabilization fund, and recent dispatches indicate that the exchange fund, in turn, has been absorbing a large amount of the gold placed on the market in London. Also, the Bank of Netherlands, Holland's central bank, has increased its gold reserve to more than one billion guilders, a new high since the Dutch currency was devalued in terms of gold.

The significance of these developments is that the British and Dutch banking systems are supporting the current price of $35 an ounce for gold established by the United States slightly over three years ago. One of the principal reasons for recent expressions of doubt about maintenance of the price of gold was that the United States was the only major buyer. Apparently American authorities have been successful in enlisting the support of European banking for the current price of gold.

* * *

### *Gold Price Outlook*

We may repeat the comment in The Financial Post for Feb. 27, 1937, on the outlook for the price of gold:

> "It would be unwise for the mining investor to look too confidently for a further increase in the price of gold. Probably the safest view to take is to regard the price as fairly well stabilized at $35 an ounce."

We may also repeat previous remarks in The Post about the effects of stabilization of gold at $35 an ounce on investments in gold mines: There appears to be a growing view among professional investors that the rise in price of older-established gold shares has already reflected the major part of the benefits from $35 gold. This view is that older gold mines now have longer life at good profit, but that prospects are uncertain for further increases in income from such properties. Younger gold mines have better chances of becoming profitable producers and of expanding commercial ore reserves by the rise in the price of gold.

* * *

### *Future of B. C. Mines*

The Hedley Amalgamated scandal is a black eye for mining in British Columbia, which is very unfortunate in view of the widely diversified mineral riches of the province which will require large amounts of capital for future development. We must not overlook the motes in others' eyes, of course. Quebec had its Rubec, Ontario its Red Lake Gold Shore scandal, and so on. Perhaps such events are unavoidable in a venturesome industry where good fortune plays an important part. But, like the presence of crime in even the most civilized communities, the less there is of such scandal, the better for all concerned and particularly for the investor in mining shares.

There can be little doubt that revision of securities administration in British Columbia can effect improvement for the immediate benefit of the investor, and for the long run betterment of B. C. mining. That does not necessarily mean that officials have been inefficient, but rather that the importance of adequate regulation has been underemphasized; and possibly officials have had too much to do.

The moral is that one of the most important men in the mining industry is the investor who takes a risk and puts up a great deal of the money for development. The sooner that is recognized in British Columbia or elsewhere, the better it will be for the industry and for legitimate promoters of mining developments.

## Lebel Oro Mines Sells New Block of Shares

From Our Own Correspondent

MONTREAL. — Lebel Oro Mines have notified the Montreal Curb Market that 37,500 additional shares at 15 cents a share have been taken up under the terms of the option agreement and the issued price paid in full to the company.

# Gunnar Yield $12.16 a Ton

## Defer Dividend Action to Ensure Adequate Surplus

Value of production of Gunnar Gold Mines for the first four months of this year was $194,230 from treatment of 15,967 tons of ore, an average recovery of $12.16 per ton, James Houston, mine manager, announced at the annual meeting of shareholders. Gilbert LaBine, president, said that earnings were presently at the rate of about 12% on the par value of the stock.

President LaBine added that directors felt it was wiser to defer a dividend for a few months so that once dividend payments begin there will be an adequate surplus to ensure their continuance. He noted that the directors had hoped to be able to declare a dividend at the annual meeting.

Gunnar's No. 2 shaft has been completed to the 375-ft. level since the first of the year. Through this the ore from No. 3 vein is now taken to the mill. A new ore section, grading $28.35 across 5 ft. for a length of 70 ft., has been opened in No. 3 vein in drifting east from the No. 2 shaft on the 125-ft. level. To tap the extension of this ore a drift is being driven east on the 275-ft. level.

One short section of good ore was exposed in a drift west from the No. 2 shaft on the 125-ft. level which intersected the No. 4 vein. About 40 ft. of drift has so far been completed. For 80 ft. on the 125-ft. level east of the main shaft on the No. 1 vein, a new footwall section has been opened, running .35 oz. per ton across width of 5 ft. A block of ore formerly classed as indicated ore has been opened by a raise put up from the 625-ft. level to the 500-ft. level through the "C" ore body.

To be explored shortly are sections in north No. 4 and No. 6 veins, where diamond drilling has indicated ore.

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**Little Long Lac Gold** will continue shaft sinking this year from 1,000 to 1,300 ft. to open up two new low levels, with increased milling capacity, bullion recovery for the year is expected to be considerably higher. Most of the capital expenditure necessary for mill expansion is finished, the estimated amount of expenditure for 1937 being $56,000.

## News Concentrates

**Bulolo Gold Dredging** reports recovery for April of 8,390 oz. gold, worth $293,650, and operating profit of 6,067 oz., equivalent in Canadian currency to $212,345. Owing to treatment of 100,000 cubic yards of tailings, Bulolo's recovery is the lowest since June, 1936, when profit was $208,180. During March 12,384 oz. were recovered, worth $433,440, and operating profit was $310,170.

* * *

**Buffalo Ankerite Gold** treated 28,224 tons of ore in April for recovery of $217,500, an average of $7.70 per ton. The mill averaged 941 tons daily, a new high milling record. In March 27,347 tons were treated for recovery of $225,500, an average of $8.25 per ton. With payment of the regular dividend of 12½ cents per share, with extra of five cents, due for this month, the grand total of dividends paid by Buffalo Ankerite to May 15, 1937, will reach $555,757.

* * *

**Keyroc Gold Mining** has filed a registration statement with the Securities and Exchange Commission, Washington, covering an issue of five million shares of $1 par value common stock. Aggregate amount of the proposed cash offering is $1,250,000. Proceeds are to be used for exploration, development and mill construction. Kenneth W. Wright, Toronto, is president and the underwriters K. W. Wright and Co. Pending amendment details are not recorded.

* * *

**Paymaster Consolidated** made a new production record for the first week in May, the brick poured having an estimated value of $30,293. There will henceforth be four pourings a month instead of three. For the first 10 days of April production ran $34,000, the shorter period in May thus comparing very favorably with it. May recovery was from 3,057 tons milled, indicating an increase in recovered values.

* * *

**Sunloch Mines** of which Consolidated Mining and Smelting holds 60% of the issued stock, did no work during 1936 at its 28-claim copper prospect on Vancouver Island, B.C., according to the annual report.

* * *

**Cariboo Hudson Gold Mines** has filed a registration statement with the S.E.C., Washington, covering an issue of 200,000 shares of common stock at 25 cents, proceeds to be used for exploration, development, equipment and working capital. Dr. W. B. Burnett, Vancouver, B.C., is president. No underwriter is named.

* * *

**Halliwell Gold Mines** has in 125 days accomplished the sinking of a 500-ft. shaft at its copper-gold property in Rouyn district, Quebec, including installation of plant, with stations cut at the 150-, 300- and 450-ft. levels. Three diamond drills are to be employed in surface exploration. In the southern zone, former drilling has shown values of $20 across widths of from 6 to 18 ft., and extensive exploration is planned here.

* * *

**Lamaque Gold Mines** is working steadily toward the doubling of the present milling rate in the autumn, to permit treatment of 1,000 tons of ore daily.

* * *

**Ministik Lake Gold Mines** has been incorporated in Manitoba to develop 25 mineral claims in Island Lake area. It is stated that a number of quartz veins occur on the property, chief of which is a north-south showing which has been exposed by stripping and trenching for over 600 ft.

* * *

**Mufulira Copper Mines** reports estimated profit for the quarter ended March 31, 1937, of $740,000, subject to taxation. For the quarter the London Metal Exchange average price of standard copper was approximately $306 per long ton.

* * *

**Roan Antelope Copper Mines,** for the quarter ended March 31, 1937, reports estimated profit, subject to taxation, of approximately $3,075,000.

* * *

**Granby Consolidated** will be shipping concentrates to Japan by July 1, 1937, A. S. Baillie, vice-president, told the annual meeting. The company will be able to make a fair profit at present copper prices (about 14 cents per pound), he said. Cost of production is estimated at 8½ cents per pound before depreciation and depletion.

* * *

**Hard Rock Gold** plans an initial mill capacity of 250 to 300 tons, with allowance in the building for lifting, it is reported. Decision on the mill has yet to be reached. Stations on the third and fourth levels have been cut and the shaft is aimed to reach the 1,000 -ft. level.

* * *

**International Mining Corp.** has declared a dividend of 15 cents per share on its common stock, payable June 21, 1937, to shareholders of record May 31. Last previous payment of like amount was on March 20, 1937.

* * *

**Kirkland Lake Gold** produced, for the first week in May, slightly over $4,000 daily, it is understood. Recent high-grade ore developments are indicated in this result. Drifting along the new south branch vein continues in good ore, and the Grozelle vein, though not as high-grade as the first 40 ft., which ran three ounces per ton across the drift, is standing up well. Drilling has begun again on the Kirkland Basin ground north of the main break.

* * *

**Pend Oreille Mines & Metals** reports that mill operations will be reduced between 40% and 50% because of the rebuilding of the cement power flume. This is expected to take about two months. Mill will then handle about 600-700 tons daily. and after two months will be raised to 1,000-tons daily capacity. Subject to approval, arrangements have been made to provide $525,000 to finance building of the 1,000-ton concentrator at Reeves-MacDonald Mines.

## April Recovery Higher at Young Davidson Mines

Young Davidson Mines, subsidiary of Hollinger Consolidated, reports April production at $92,309. Average recovery was $3.33 per ton, from treatment of 27,691 tons. For the first quarter of the year production was $248,916, from treatment of 82,814 tons, an average recovery of $3.01 per ton. Rise in average recovery during April is due to the milling of an improved grade of ore from the 450-foot level.

For the first four months of the year total production was $341,224 from 110,505 tons of ore treated, and average recovery $3.08 per ton.

## Mining Company Reports

### Osisko Lake

Results from sinking two diamond drill holes on one claim during the winter were inconclusive, but further diamond drilling will be done this summer on the property of Osisko Lake Mines, Rouyn Twp., the annual report for 1936 states. A magnetic survey has been carried out on part of this property and further diamond drilling will be done to check the results of this survey.

As at Dec. 31, 1936, Osisko's current assets stood at $15,816, made up of $15,499 cash, $312 accounts receivable and $5 accrued interest on bank deposits. The company holds 16,166 shares of Beaufor Gold Mines, and these are listed at $366. Current liabilities were $419.

### Newbec

As Newbec Mines plant was burned down some time ago, the directors do not consider they are justified in carrying on further development with the limited funds now available, says T. H. Rea, president, in the company's annual report for 1936.

The possibility of getting further money for development will be thoroughly investigated if the market for copper should become stabilized at 15 cents per pound or better, the president states. A report made by L. G. Smith, former mine manager, said that several small, irregularly-shaped ore bodies had been developed in previous work, and that these, provided their dimension held between levels, could be mined and shipped to Noranda smelter at a profit providing copper was at a minimum of 15 cents a pound.

As at Dec. 31, 1936, the balance sheet shows cash in banks at $7,458, with bonds, debentures and shares at cost of $16,713 and market value of $8,508. Current liabilities are shown at $791, made up of accounts payable and accrued charges.

Income for the year was $266 from investments and $165.87 interest on bank balance. Disbursements are shown at $1,255.

### Opemiska Copper Mines

While development has been progressing rapidly at Opemiska Copper Mines results have been extremely disappointing, says Thayer Lindsley, president, in a brief review accompanying the annual report for 1936.

Expenditure to Dec. 31, 1936, on exploration, development, administration and general expenses amounted to $534,406. Cash on hand and in bank at that date was $37,248. Supplies and materials at the mine and in transit, as shown by the books, were valued at $34,035, and buildings, machinery and equipment at $47,907. Mining claims are valued at $123,952.

Accounts payable and accrued charges stood at $30,925. Of the five millions share capitalization, 2,987,595 have been allotted, having a book value of $751,530. A shaft was sunk 296 feet last year and stations cut on the 150 and 275-foot levels. Early this year the shaft was deepened to 550 feet and a station cut at 525 feet. On this level 400 feet of crosscutting and 600 feet of drifting have been completed.

Diamond drilling proved disappointing, 524 feet having been completed from the surface and 2,756 feet from the 275-foot level. During the summer drilling from the 275-foot level is to resume, according to W. L. Heidenreich, mine manager.

### Coast Copper

Before any profit can be distributed to shareholders of Coast Copper, a total debt of $2,088,883 must be paid off, the annual report of Coast Copper for 1936 reveals.

W. M. Archibald, vice-president in charge of mines of Consolidated Mining and Smelting, reports that Coast Copper property was not worked during 1936, though the plant and equipment were kept in condition. The directors report that the property is sufficiently developed to warrant construction of a concentrating mill, although transportation presents a serious problem. Due to low copper prices, development was suspended in 1932, but with the rise in the market consideration is now being given to equipping the property for commercial production.

The company owes Consolidated Mining and Smelting Co. $1,121,038, covering open advances made from time to time. In addition, there is a further liability to bondholders amounting to $967,850.

### Kewagama Gold

A new vein 2 in. to 4 in. wide, carrying some visible gold, was found 517 ft. down in the shaft during the period Oct. 1, 1936, to April 30, 1937, says the quarterly report of Kewagama Gold Mines, written by E. V. Neelands, general manager.

During the quarter the three-compartment shaft was sunk to 524 ft., with levels established at 125, 250, 375 and 500 ft. Old workings were dewatered and the head frame repaired and housed in. "Previous work," reports Mr. Neelands, "has proved that a definite geological structure exists across your property over a length of 4,600 ft.

"This structure contains valuable ore bodies on the property adjacent to the west, and a number of veins exist on your property which show encouraging values. It is considered possible that commercial ore bodies occur and intensive exploration is planned with a view to their discovery.

"It is the intention to crosscut the structure on each of the three lower levels and to explore the most favorable condition east and west. This work will be supplemented by diamond drilling at close intervals as veining occurs conformable to the structure in several different rock formations. Surface drilling to guide the development is also planned."

## Your Mining Stocks

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### Williamson Mines

I am interested in the Porcupine district's prospects and have heard very little of Williamson Mines. Please give me briefly what details you have on hand on this property.

Williamson Mines, a Shaw twp. property, has done some surface exploration on its western section to pick up the extension of the known break on the adjoining claims, in preparation for diamond drilling. A recent discovery, described as the most important find to date, is being test-pitted. Where picked up this showed a width of 100 ft.

Ore samples taken across widths of 5, 7 and 11 ft. from the veins opened up to date assayed $14, $1.20 and $21 per ton, respectively. Further details of the "important find" have not yet been released. The property is still in the early stages of development.

### Bobjo Mines

Will you please enlighten me on the prospects for Bobjo Mine, as I am a shareholder of this company?

Bobjo Mines derives a large part of its revenue from dividends on its holdings of San Antonio and Noranda. It is unlikely that Bobjo will show any substantial increase in earnings until some other property is brought into the dividend-paying class.

The company recorded a loss of $1,298 for 1936, as compared with a profit of $14,117 in 1935. Last year Bobjo acquired interests in two additional producing properties, Leitch and Paymaster Consolidated. In the same period its San Antonio holdings decreased from 76,500 to 12,800 shares. At the 1936 year-end working capital had increased to $178,447 from $69,339 in 1935, cash amounting to $95,143 in 1936 and $60,981 in the previous year.

Last year Bobjo acquired $75,000 of Dominion of Canada bonds. It also secured the Cowan property in Echimamish district, northern Manitoba, and results of exploration work are said to warrant further development when weather permits. Bobjo's policy is to try to locate properties which ultimately could be developed into producing mines, and it is maintaining field prospecting parties with this end in view.

### Mylamaque Gold Mines

I am considering putting some money into Mylamaque Gold. While a loss would not cripple me I should like a run for my money. What do you think of this property?

Mylamaque Gold Mines Ltd., is a gold prospect in Bourlamaque Twp., northwestern Quebec. Surface exploration and some diamond drilling has been done. In previous work on the Potter claims a favorable assay was returned. A geological examination of them will be carried out shortly.

Mylamaque is concentrating its drill operations at present around an intrusive diorite formation. The management believes that interesting drill intersections will be obtained in this part of the property because both Lamaque and Sigma Mines find their ore bodies at the contact between the intrusive diorite and the volcanic rocks.

### Sherritt Gordon

I should appreciate an opinion on the possibilities of Sherritt Gordon through your valued mining columns.

Sherritt Gordon Mines has set July as the tentative date for resuming operations at former copper-zinc-silver-gold properties at Cold Lake, Manitoba. Resumption of production depends on availability of power from the Hudson Bay Mining & Smelting Co. power plant. Latest reports are that this power will be available. In the meantime the property is, according to our information, all ready to resume operation.

Development was resumed early in 1936. Main shaft has been carried to inclined depth of 1,127 ft., with crosscutting to the ore body on the fourth, fifth and sixth levels.

Working capital amounted to $347,748 at the end of 1936, a decrease from $536,152 reported at June 30, 1935. The decrease is, of course, accounted for by plant extension and renewed development work. Restoration of working capital position is expected from the offering of rights to shareholders of record, March 24, 1937, to subscribe for shares on the basis of one new share at $2.75 for each 25 shares held. These rights expired on April 14, 1937.

Outlook for the company has been materially improved by the rise in metal prices. Price of copper is well above the ten cents a pound level which directors considered necessary before resuming development. Overall costs of producing copper were 8.7 cents per pound in 1932 before suspension of production.

Briefly, there appears little reason to doubt that this company can operate profitably under present copper prices, and while the copper level has been affected by speculations in the past, from the broad point of view it seems likely that copper prices will be maintained at profitable levels for some time.

### Scott Chibougamau

Through your mining columns will you please outline the picture at Scott Chibougamau for me, giving financial position.

In its first annual report, Scott Chibougamau Mines advises that the underwriting agreement with R. P. Mills and Co. has been fully carried out, and payments have been made in anticipation of all options due up to July 1, 1937, placing the company in a position to carry out its 1937 programme of development. According to the balance sheet as of Feb. 15, 1937, cash resources total $37,775. Of the authorized 3 million shares, 2,450,000 have been issued.

Properties originally acquired, include 66 claims known as the Duchesne Island and Smith groups. Recently an option was obtained on a half interest in the McKenzie property, fifteen claims, adjoining the Smith group on the west. The company has acquired three claims in Bousquet Twp., Quebec, north of Bouscadillac Gold Mines, and five claims in Fourniere Twp., adjoining Quemartic Mines on the west.

On the Duchesne Island group, seven drill holes showed a zone varying in width from four to 17.5 feet for a length of at least six hundred feet. On the Smith property, work was confined solely to sampling, and a bulk sample was shipped to McGill University for test. Gold recovered or accounted for by mill tests on approximately three hundred pounds of sample was very high and may not necessarily indicate the general possibilities.

Work on the optioned McKenzie property has exposed a quartz vein of undetermined width. Assays across five feet have returned values of $8.75 a ton in gold. Diamond drilling is now being carried on. On the Bousquet property, quartz veins three to five feet wide are said to have been uncovered, and assays of $4.50 and $8.75 have been returned.

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**Kerr Lake Mines** has declared dividend of five cents per share, payable June 18, 1937, to shareholders of record June 3. Last previous payment was for a similar amount on June 29, 1936.

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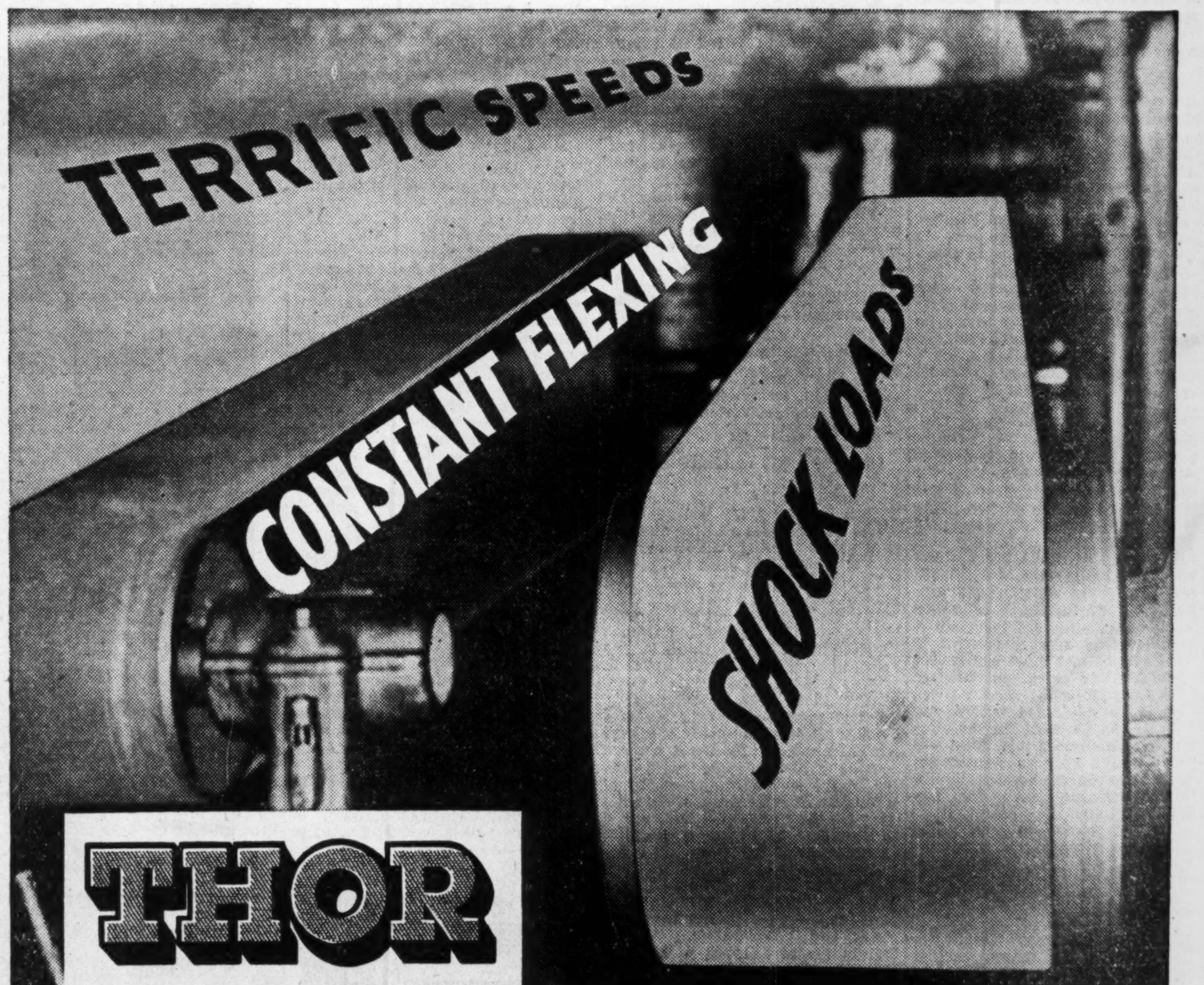

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# Four Runs, Six Hits, Many Errors Turner Valley's Score to Date

## Six Successful Wells Since Last Year's Discovery of Crude Continue as Stimulant to Drilling Activity—Opinion Divided on Future of Field

By WILFRID SANDERS
*Mining Editor, The Financial Post*

CALGARY.—It is just about 12 months ago now that Turner Valley Royalties well blew in with a flow of crude oil which suggested startling possibilities for Turner Valley, and which opened up a new chapter in its life. Whether that new chapter is now drawing to a close; whether it is merely coming to a new sub-chapter, or whether the events of the past 12 months have been merely a prelude to stirring installments ahead, are matters on which opinion is sharply divided.

Using the technique of the baseball statistician, one can, while these matters are being decided, tote up the runs, hits and errors of the valley to date.

Chalking up the runs one must include Turner Valley Royalties well itself, which, drilled on the west flank of the structure, and toward its southern extremity, entered the limestone (the oil bearing horizon) at 6,396 feet, and after drilling some 400 feet in that formation, came in with a flow of 700 barrels daily. Today, the well has settled down to a regular flow of about 625 barrels of crude daily, of a quality which brings about $1.80 a barrel, a gross income of somewhere in the neighborhood of $33,750 per month. This then, may be called Run No. 1.

Run No. 2 was Foundation Petroleum, which came into production last December, and is now producing steadily at the rate of about 250 barrels a day, the crude grossing about $1.85 per barrel.

Sterling Pacific No. 3, while hardly a home run, should be given a similar grading to a one base hit, producing today about 90 barrels of crude, running about $1.85 per barrel.

Run No. 4 was B. & B. Royalties well, about quarter of a mile south of Turner Valley Royalties, which roared into production at a rate of over 2,000 barrels daily. Today, this well, the largest crude producer in the field, is gushing forth 650 barrels of crude daily, bringing $1.85 per barrel.

Last March, Sterling Pacific No. 4 started production, and is now running about 90 barrels daily, of $1.85 a barrel crude.

Finally, Westside Royalties, another big producer, blew in and at time of writing is producing 225 barrels daily.

### Six Hits—$1,277,500 Yearly

There, then, are the six hits scored by Turner Valley in the past 12 months. At current production, they total about 1,930 barrels of good quality crude, and mean about $3,500 daily, or $1,277,500 yearly in new wealth to the province. Taking the average cost of drilling a well at $150,000, these six wells, at $900,000 the lot, will have more than paid for themselves in 12 months of operation. The bigger ones, of course, such as Turner Valley Royalties and B. & B. Royalties, paid for themselves in a few months.

It is difficult to draw the line between failures and successes. Among those wells, drilled in the past 12 months, which have not lived up to expectations, and yet cannot be classified as errors or failures, are Renfrew Royalty Co., a privately-owned company, which after shooting with dynamite, is currently producing about 25 barrels good quality crude a day. Another one is Newfold Royalties which, although not a complete success, will eventually pay for itself from a production of 20 barrels good quality crude daily.

### Some of the Failures

Now for the errors. Alberta oil men have a trick of speech by which, when a well is being drilled, it is going to "crack the field wide open." After it is drilled and if it has proved a failure, they are apt to say that "it was off the structure anyway," and therefore its failure is of no significance.

However that may be, Turner Valley has had its failures in the past year, and strangely enough, they have been off what is commonly regarded as the Turner Valley west flank structure.

Take, for instance, one of the outstanding failures, Dalhousie 8 in the north-westerly section of the field. This well is believed, by geologists with whom the writer spoke, to have been definitely just off structure. At latest reports, armed with the information obtained from the Dalhousie operation, a new well is being planned on adjacent land, believed to be "on structure." Details as to the backing of this new venture could not, at time of writing, be ascertained, but it is believed that a group of independent companies are to join forces.

Another "error" was Highwood Sarcee to the southwest. This well is now known to have been too far to the east. Another is Union Freehold.

That accounts for the missfires in the west flank of Turner Valley during the past year, and it can be seen that the batting average has been fair. Such wells as Arca, the deepest well ever put down in Alberta, is not included in this score board, because it was on an entirely different structure.

### What of Future?

What has Turner Valley to offer next!

Interest today centres around the Monarch Royalties well, and that of Richland No. 3.

Monarch Royalties, one of the wells financed by Anglo-Canadian Development and Holding Co. was down when the writer visited the field, about 4,700 feet. At this well, what is known as rotary rig is being used, and although its competitor Richland No. 3 is down 5,475 feet, the betting in Calgary is that Monarch will reach the limestone first, because of the rotary rig used, as against the more obsolete standard rig used at Richland. The difference between these two rigs is that in the rotary rig, a revolving drill is used, whereas in the standard rig, the bit is hammered by a walking beam.

Both Richland and Monarch are, from what is known already of the geology of the field, in favorable locations. Monarch well is immediately northwest of Foundation Petroleum, one of the successes noted above. Richland is adjacent to Turner Valley Royalties.

There are numerous other wells going down on the west flank, some 25 now being drilled and many more planned. Most of the companies were already financed when the market dropped, and while there are a few "orphans" (companies who have not completed financing, and have been left high and dry by the swing away from oil shares) Turner Valley oil men are not yet perturbed by the stock market's actions.

### Tighter Regulations

In keeping with the rest of the provinces, Alberta is tightening up on her securities regulations. One, received with mixed feelings by oil men, is the regulation whereby a new company must have at least $130,000 in the treasury before starting drilling. The object, of course, is to prevent the shoe-string company from setting up a drill merely as an aid to selling stock. On the whole, responsible oil men interviewed by The Financial Post favor this new regulation as being best in the long run for the interests of the oil fields.

One thing the market drop has done has been to clear the air of the many wildcat offerings which were capitalizing on the boom to sell stock. With a few exceptions, these have been the offerings whose life has been prematurely nipped by the decline.

### Mostly Alberta Money

While no statistics to prove their point are available, western oil men are inclined to believe that of the capital at present represented in the valley, 75% is from Alberta, and of the remainder, a large portion is from British Columbia, thus leaving eastern Canada very much a minority shareholder in Alberta's oil development. This would exclude the huge Imperial Oil investment through Royalite Oil Co.

A Government official estimates that there is $35 to $45 millions in capital invested in Turner Valley field alone, with as much more invested in other Alberta oil and gas fields.

Another interesting point to consider, and one which demands much fuller discussion than this article has scope for, is the question of marketing.

Demand for oil and crude naphtha in the western provinces, exclusive of British Columbia, at present is about 10,000 barrels daily. Already 5,000 barrels, or half this amount, is being produced. While it might be expected that excessive supply would tend to decrease prices, and thereby increase demand, this increase would not be large, and if the coming summer's developments turn out as hoped, Alberta may be faced with a serious marketing problem. Real oil enthusiasts dismiss this problem by discussing pipe-lines to the Pacific coast and to the head of the Great Lakes, but they are unable to argue against the fact that Alberta will have to show far greater oil reserves than have yet been discovered before the initial cost of such pipe-line ventures would be justified.

In the meantime, Alberta is making steady progress in her production.

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# "Aussies" Follow Canada's Mines

## Melbourne Herald Comments on Leading Dominion Producers

Under the heading, "Leading Canadian Gold Producers—Big Profits and Dividends," the Melbourne Herald recently devoted a two-column article to Lake Shore, Hollinger Consolidated and McIntyre Porcupine, the story symbolic of the interest which Australians are taking in the gold mines of their sister Dominion.

"I have just been three weeks in Australia and I find, among other things, that they (Australians) are intensely interested in gold shares, but I did not realize that they were also interested in Canadian gold mines," says the writer of a letter accompanying the Melbourne Herald's material.

"The companies," the Herald comments in an introductory paragraph, "have been prominent gold producers for 20 years or more, and each has a long and successful dividend record."

# Hammell Gives Howey Stand

## Ready to Take Over Lock, Stock and Barrel—Won't Rejoin Board

Howey Gold Mines has three years ore developed, over $1 million in cash assets and $250,000 worth of supplies, and in addition has disbursed $900,000 in dividends, R. T. Birks, president, told the recent annual meeting of shareholders.

John E. Hammell, former president and managing director of Howey, read a lengthy statement outlining his reasons for resigning from the directorate, and made it clear that his difference of opinion was not with the Howey management, which he considered capable, but with the directors. Unless he could take the company over "lock, stock and barrel," Mr. Hammell said he would not consider rejoining the board.

"As evidence of my faith in Howey, I would like to make this offer before the shareholders here today, viz., provided the present directors and management are willing, I will undertake to look after the management of Howey, take it in to my own organization and carry out my policy with regard to it.

"It would mean considerable more work for me but I am quite willing to do it. I can assure you I will either 'make a spoon or spoil a horn,'" said Mr. Hammell.

"It can readily be seen that the company is in an excellent financial condition. All I can say is, if they cannot make good they ought to be shot at dawn," he continued. Mr. Hammell's offer to take over the management of Howey was not acted upon, however.

### Defends Directorate

Mr. Birks claimed that the present Howey directorate included experienced mining men and practical, successful business executives. He knew of no other mine in Canada working profitably on .10 oz. gold ore, and Howey had the finest management in the country. The mine's present enviable position, Mr. Birks said, was due to the efforts of Ed. Futterer and Fraser Reid, general managers, who, despite tempting offers, had stayed with Howey and with the shareholders.

The president said he was prepared to assume responsibility for the present operating policy. Although levels from 1,300 to 2,000 ft. had not provided ore, Howey's policy was to acquire meritorious outside properties. Mr. Birks pointed out that the company's surplus had been built up by careful, economical management and unless success were almost assured Howey could not take on additional commitments without due consideration.

Unless he could take the company over "lock, stock and barrel" Mr. Hammell would not consider rejoining the board, he said. Mr. Birks said Howey's present status was considered satisfactory by the directors.

# Gas Conservation Is Urged For Turner Valley Field

New wells are now drilling as far as six miles along the strike from the Turner Valley Royalties well, on the west flank of Turner Valley, and this area offers sufficient attraction to warrant serious investigation, according to J. G. Spratt and Vernon Taylor, writing in the current issue of the Petroleum Times, London.

Reservoir capacity of the area they estimate at 1,260,000,000 barrels, or 126,000 barrels per acre. Area of potential oil territory is as yet unknown, the eastern limit only being fairly well defined. North and south boundaries are extended as far as the known gas area. Western boundary is very indefinite, and it is assumed from present knowledge that the western boundary can be extended to the 7,000-ft. level of the top of the limestone.

According to known structural conditions, a prospective oil area of 5,000 acres is indicated. It appears that from 15 millions to 17 millions barrels will be recovered from the gas area.

Depths of crude wells, the article states, will vary from 6,000 to 8,000 ft. and the estimated drilling costs from $125,000 for the shallower wells to $150,000 or over for the deepest. For the grade of oil produced, present oil prices run from $1.55 to $2.12 a barrel. Rotary equipment has been found most suitable for wells of this depth. Depending upon a well's position on the structure, it is indicated from present data that drilling should be completed in from six to eight months.

To get the greatest recovery of oil from the crude area, the gas area, it is emphasized, should be conserved to the utmost, as the most important factor governing efficient production of the west-flank crude is the conservation of the necessary gas energy to force the oil from the formation and lift it to the surface.

The pressures in the gas area in June, 1936, varied between 1,420 pounds per square inch to 385 pounds per square inch, weighted average being slightly over 800 pounds. It is not at present known what area an oil well will drain efficiently in Turner Valley, but it is recommended that the practice of spacing not more than one well to 40 acres be adopted, at least until some definite knowlege of the drainage area is gained.

## Pioneer Gold Net Profit Below Figure For 1935

Charges of 6.3 cents per ton of ore hoisted, to cover the B. C. Workmen's Compensation Board's, silicosis assessment, and 3.7 cents a ton for ventilation charges, are included in operating expenses of Pioneer Gold Mines, increasing costs by 10 cents a ton. Net profit for 1936 was $919,529, compared with $1,500,985 in the previous year.

Gross profit was $1,364,659, from which depreciation, depletion and income tax were deducted. Last year Pioneer handled 156,212 tons of ore, compared with 143,236 tons in 1935. Howard T. James, managing director, reported positive or indicated ore reserves at 597,481 tons.

# *New Spurt Seen In Quebec Mining*

From Our Own Correspondent

QUEBEC.—Quebec mining activity is increasing rapidly, according to official figures released by the Department of Mines for the first quarter of 1937, as compared with a similar period last year.

Comparative figures for the three months of each year are:

| | January to March | |
|---|---|---|
| | 1936 | 1937 |
| Claims registered .. | 2,810 | 6,792 |
| Miner's certificates issued ........... | 1,112 | 2,549 |
| Operating permits issued ........... | 105 | 257 |
| Operating permits renewed ........ | 291 | 338 |
| Days of labor .... | 91,415 | 257,608 |
| Diamond drill. (ft.) | 21,011 | 97,603 |

# Good Quarter For Ankerite

## Earnings Equal 30 Cents a Share For First 3 Months

Earnings per share of 30 cents, after writing off development charges, are reported for the first quarter of this year by Buffalo Ankerite Gold Mines. Net profit for the quarter was $210,362, and net bullion recovery $643,535.

To fix the site for a new shaft, diamond drilling and other geological study is being carried on. E. G. Kinkel, president, reports. No figures on ore reserves are given, though it is reported that test holes and diamond drilling have added considerable tonnage to blocked and indicated ore reserves. The actual survey is completed only half-yearly.

Development for the quarter was in good grade ore. Stoping of the North Mine was in widths and lengths as previously reckoned, and occasionally greater than the calculation. On the sixth, eighth and tenth levels of the South Mine, 853.3 feet of drifting and crosscutting and 698 feet of diamond drilling were done, for an adjoining property owner.

Development in the South Mine continued on the south veins, and interesting results were obtained on the tenth level to the west and on the eighth level to the east.

### Operating Profit

Operating costs for the quarter were $360,837, leaving operating profit of $282,698. Net carried to earned surplus account was $210,362, as mentioned, after deducting $33,319 for taxes and $39,642 development written off, and adding interest earned amounting to $625.

The two mills handled 79,285 tons of ore in the quarter, gross bullion recovery being $646,315, average recovery $8.15 per ton and average daily tonnage 881 tons. There was a noteworthy reduction in operating costs for the three months, costs being $4.02 per ton, a reduction of 32½ cents, or 7.5%, as compared with the corresponding period of 1936.

Current assets totalled $639,034 as at March 31, 1937, compared with $449,670 as at Dec. 31, 1936, with cash increased from $184,414 to $330,921.

Current liabilities were shown at $237,349, compared with $170,646 for the corresponding period of 1936. Investment in and advances to other mining companies are carried at $14,497.

# Current Chatter From Manitoba

From Our Own Correspondent

WINNIPEG. — Flying to all the nearly-by points has been resumed and this last week saw a great exodus of prospectors and engineers to all the nearer sections. It will still be some time before flying communication will be established with the more distant properties, including God's Lake, Island Lake and north of Churchill.

The contract for the delivery of 25 tons of supplies for the Newmont Mining Corp. at Rankin Inlet, 300 miles north of Churchill, has been completed and the planes are now in Winnipeg being conditioned for summer flying.

### Hudson Find

A new discovery is just reported from Hudson, Ontario, by Tom Sherbo, who brought back samples to substantiate his claim. The samples contain gold, silver, lead and copper. The property lies about three miles from Hudson. A group of 36 claims has been staked. It is not the first time minerals have been reported close to the shipping point for northern Ontario, but there have been few properties staked so close to home in the last decade.

### Mystery Lake

A small crew has been sent up to Mystery Lake, a few miles north of Mile 187 on the Hudson Bay line. Some years ago a silver discovery at this point led to quite a large staking. Drilling was inconclusive and the properties were allowed to lapse. Recent investigations suggest that the main body of ore may lie under the waters of Mystery Lake, which obtained its name from the phosphorescent haze often to be seen over its dull waters. The present stakers include among them some of the originals who never lost faith in it, and a Winnipeg syndicate is now backing that faith with cold cash.

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# Pickle Crow Earnings Rise During Year

## Net Profit is $791,844 For Patricia Producer — Plans Announced

### ORE RESERVES

For the year ended Dec. 31, 1936, Pickle Crow Gold Mines earned 26.4 cents per share, as compared with earnings of 14 cents per share for the eight-month operating period of 1935, the company's third annual report reveals.

After all necessary write-offs, Pickle Crow showed a net profit of $415,962 for the eight months of 1935 in which it operated. This compares with net profit, after heavy pre-development and depreciation write-offs, of $791,844 for 1936.

"No special effort was made during the year to bring the cost per ton milled to a minimum," says J. E. Hammell, president. "You have a young mine with all its future ahead of it, and we intend to develop it aggressively and in the quickest possible manner commensurate with sound economical mining practice.

"Your board of directors has no intention of jeopardizing the mine by not carrying out this aggressive policy. We intend to continue sinking to the 2,000-ft. level and establish five new levels on the main vein and, at the same time, explore known diamond drill intersections which we obtained during the past year. I feel that after a two-year period of aggressive development we will be in a position to further increase the milling rate at your property."

### Dividend Paid

Early in March of this year the company announced the regular dividend of five cents per share, payable March 31, and at the same time announced a 10-cent dividend payable on June 30. There is at present about one year's ore above the 375-ft. level. Preparations are being made for stoping of the 500-, 675- and 750-ft. levels, which have just been developed.

The mill, which is at present handling over 300 tons of picked ore daily, will be gradually stepped up to 400 tons daily capacity as conditions warrant it.

Reporting on diamond drilling, B. H. Budgeon, director of mining, says that the series of holes sunk on extension of the Riopelle vein have given interesting results. Four holes showed $15 over 24 in., and other interesting values over widths running to 30 in. Following additional drilling, this area, west and south of the main workings, will be explored from the 750-ft. horizon westerly. It parallels the main vein and appears 400 ft. south.

### Report on Mine

Mr. Budgeon, whose report appears with that of A. G. Hattie, mine manager, reports that all drifting so far has been in ore and considerable high grade. Lengths opened on the various levels are: 900-ft. level, length 251 ft., width 33.4 in., value $22.13; 1,050-ft. level, length 202 ft., width 33.4 in., value $46.55; 1,200-ft. level, length 238 ft., width 24 in., value $34.50.

Drifting continued east on the 750-ft. level, opening 122 ft. of ore. Although not as high as the general mine average, this is good milling grade. Better results are expected from one of the drag folds which appears to be coming in. On this level there is a total ore length of 1,510 ft., making it the best level to date.

The mill treated 14,605 tons of picked ore during the first quarter of 1937, production amounting to $408,947. Total operating costs per ton of ore hoisted during the year were $8.30. During 1936 83 diamond drill holes were put down for a total of 14,514 ft. of drilling. Ore hoisted amounted to 63,758 tons. Recovery for the year ran 98.2%.

Income and Surplus Account
Years Ended Dec. 31

| | 1936 | 1935 |
|---|---|---|
| | $ | $ |
| Proceeds from bullion | 1,612,451 | 874,089 |
| Less: Ship., mkt., insce. | 22,512 | 12,599 |
| | 1,589,939 | 861,490 |
| Less oper. expenses: | | |
| Development ....... | 146,834 | 72,314 |
| Mining .. .......... | 192,350 | 105,823 |
| Milling ............. | 109,308 | 76,531 |
| Gen. mine expenses. | 58,953 | 28,931 |
| Exec. office exps. .. | 24,651 | 17,706 |
| Prov. for taxes ..... | 133,591 | 61,083 |
| Net earnings ......... | 1,057,842 | 499,100 |
| Add: Sundry revenue. | 5,496 | 411 |
| Total earnings ........ | 1,063,338 | 499,510 |
| Less: Depreciation ... | 59,071 | 34,137 |
| Amounts written off: | | |
| Pwr. contract exp. | 9,000 | 5,583 |
| Marine rly. constr. exp. ............ | 5,000 | 3,333 |
| Def. devel. & pre-oper. exps. ..... | 63,758 | 36,200 |
| Prelim & incorp. expense ........ | ...... | 1,725 |
| Int. on notes and loans ........... | ...... | 2,570 |
| Net profit ............ | 791,844 | 415,962 |
| Earnings per share ... | 24.4c | $0.14 |

## Last Month's Production $53,122 For Gunnar Gold

April production of $53,122 completed the first year's operation of the mill at Gunnar Gold Mines. Last month's mark compares with a production of $49,354 for March. The mill ran 94.6% of operating time during April, treating 4,063 tons of ore averaging $13.87 per ton in grade. Daily mill tonnage averaged 135 tons.

Since April, 1935, Gunnar's production has amounted to $572,901.

### Oil Lease Extended

Abasand Oils has been granted an extension to March 25, 1938, of its lease of 3,840 acres at McMurray, provided a separation plant satisfactory to the minister of lands and mines has been established and the company has shown its ability to mine the sands and extract the bitumen for refining.

# Will Decide Fate Of McMillan Mine

## Additional Money Needed if Mine Is To Be Continued

From Our Own Correspondent

SUDBURY.—Shareholders of McMillan Gold Mines will have an opportunity at their annual meeting here on Thursday, May 27, of deciding whether they desire to reorganize the company and make another effort at profitable production at the company's West River property, or wind up the company's affairs.

Officials have expressed the view that assays of ore disclosed on the two lower levels are encouraging enough to warrant continued development, but that it would be necessary to provide new finances and make alterations in the milling plant. A statement of the values and the nature of the development at the lower horizons will be available for the shareholders at the annual meeting, it is expected.

## East Malartic Mines Issues 25,000 Shares

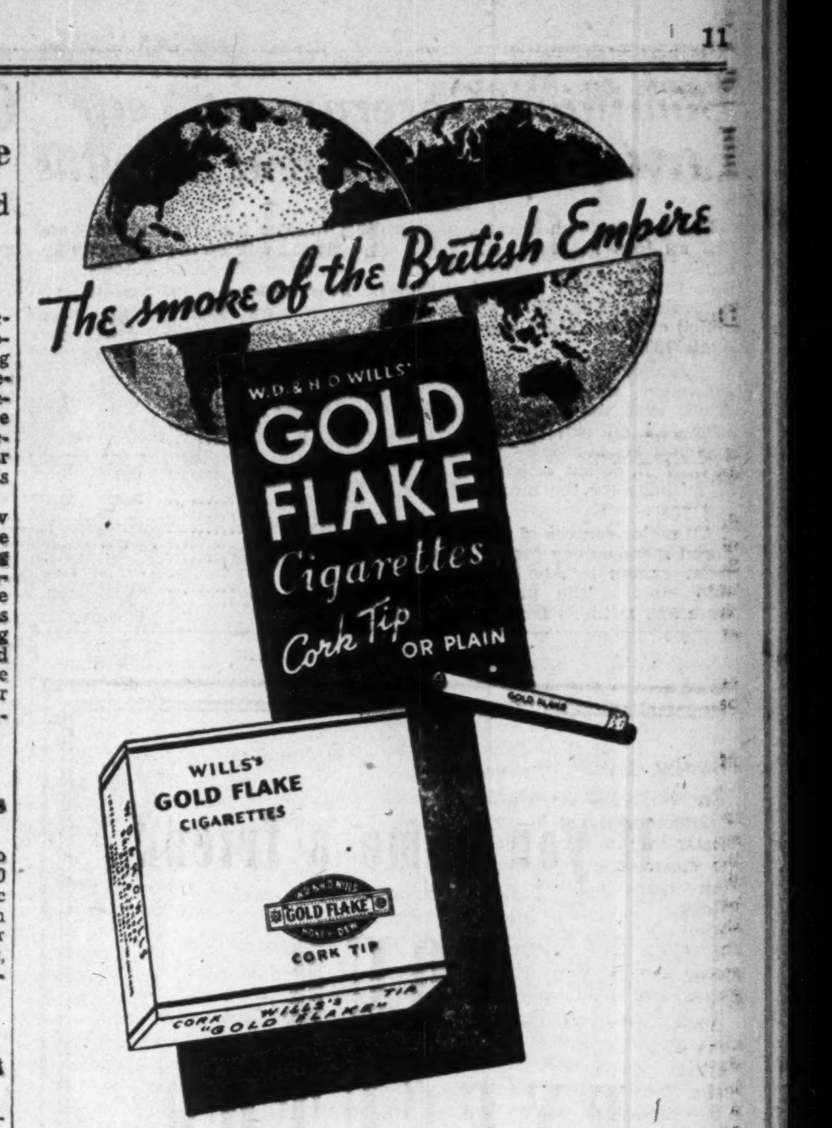
From Our Own Correspondent

MONTREAL. — Montreal Curb Market has called for trading 25,000 additional shares of East Malartic Mines. These shares have been taken up at 80 cents a share under the terms of the option agreement, bringing the total number outstanding to 1,781,666 shares.

## Thompson-Cadillac New Stock Rights Out

From Our Own Correspondent

MONTREAL.—An additional issue of 300,000 shares of Thompson Cadillac will be offered to shareholders of record May 15, 1937, on the basis of one new share for each 10 shares held at a price of 75 cents each share. The rights expire on June 16.



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# *Dominion Government Year Opens with Good Surplus*

Due largely to an increase of over $7.3 millions in revenues, the Dominion Government started the current financial year with a surplus exceeding $3.6 millions in April. A deficit of $4.6 millions was shown in April, 1936.

Although ordinary expenditures showed a series of increases for April, with the combined increase over $1.2 million, the total of all expenditures is reduced by omission of C. N. R. deficit which was put at $2 millions for the month of April last year.

All major sources of revenue produced more money for the Government coffers in April than in the 1936 month. The principal gains were $2.3 millions from excise tax, $2.2 millions from income taxes and nearly $1.5 million in customs duties.

Summary of results follows:

**Dominion Revenue and Expenditure**
**Month of April**

| | 1937<br>$000's | 1936<br>$000's |
|---|---|---|
| **Ordinary revenue:** | | |
| Customs duties | 6,847 | 5,386 |
| Excise duty | 3,971 | 3,224 |
| Excise taxes | 6,279 | 3,984 |
| Income tax | 9,132 | 6,940 |
| Post office | 2,600 | 2,400 |
| Sundry depts. | 1,442 | 980 |
| Special | .... | 3 |
| Total | 30,271 | 22,917 |
| **Expenditures:** | | |
| Ordinary | 26,461 | 25,229 |
| Capital | 29 | 36 |
| Relief works | 151 | 103 |
| C.N.R. deficit | .... | 2,000 |
| Harbours board | .... | 150 |
| Total exps. | 26,641 | 27,518 |
| Month's surplus | 3,630 | 4,601 |

*Deficit.

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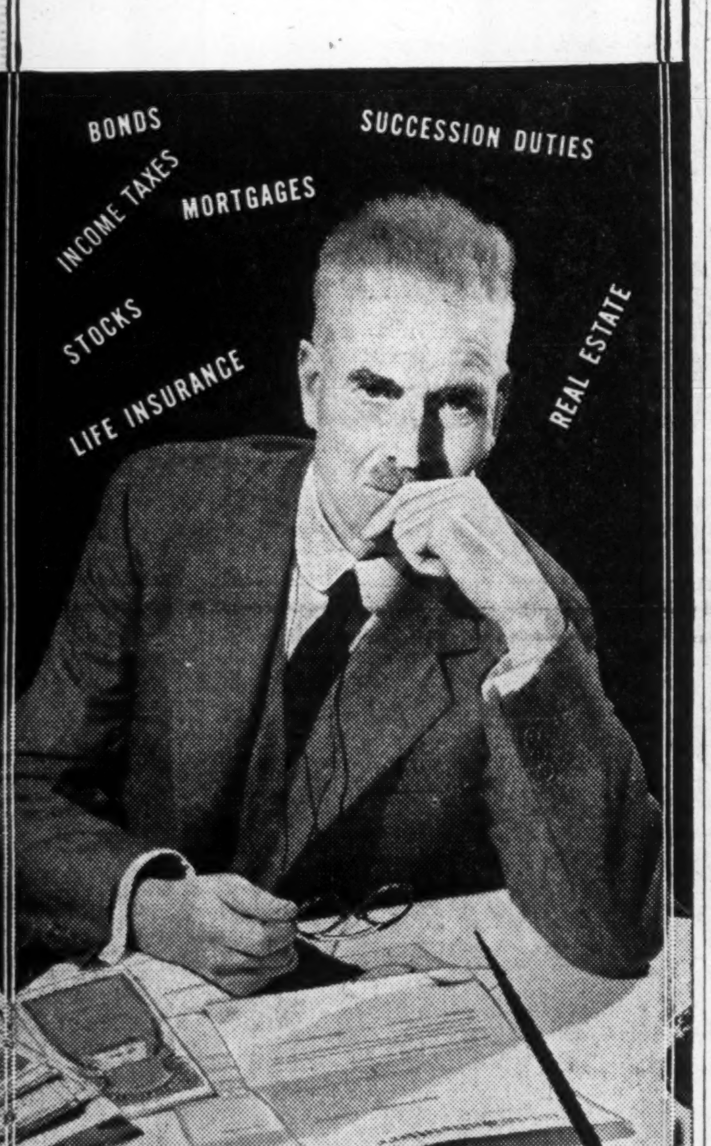

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# Cawthra Apts. Has Note Plan

## Holders of 5-year Notes Meet June 7 to Vote on Proposal

Holders of the 6% five-year notes of Cawthra Apartments Ltd., Toronto, are advised of a special meeting to be held June 7, 1937, to consider a plan for the settlement of the June 1 maturity of these notes.

The proposal provides for the following changes:

(1) Present common stock of the company is to be cancelled and replaced by an issue of 4,250 no par value common shares.

(2) Holders of the $29,750 of 6% notes, due June 1, 1937, are to receive one new common share for each $7 of notes held in full settlement.

(3) Holders of the present preference shares, of which 4,250 are outstanding, are to be given the privilege of two votes per share. Preference shareholders are to have exclusive voting rights at any time that the company shall have failed, after June 1, 1937, to pay four half-yearly dividends on this stock.

### No Cash Available

In a letter to noteholders, J. C. Colling, secretary, points out that the company is unable to meet the maturity of these notes in cash. Recently the company was able to complete payment of municipal tax arrears and is now faced with the necessity of replacing certain of the equipment of its apartments which has reached the end of its useful life.

The notes were originally given to bondholders, in a reorganization effected in 1932, as payment for unpaid bond interest. Later experience has indicated that the reorganization took place a year too early, as recovery of earning power has been slower than anticipated at that time.

# Detroit Tunnel May Get Ferry

## Merger of Two Detroit-Windsor Systems Is Proposed

Joint application has been made to the Interstate Commerce Commission by the Detroit & Canada Tunnel Corp. and the Detroit & Windsor Ferry Co. for permission to merge portions of their services.

The proposal, if allowed, would permit the Detroit & Canada Tunnel Corp. to issue $750,000 of new first mortgage bonds which would be given, in addition to $150,000 in cash, to the Ferry Co. in payment for certain of the latter company's properties. Ferry's operations between Detroit and Windsor would be discontinued.

Detroit & Canada Tunnel Corp. was reorganized in Nov., 1936, resulting in a drastic reduction in its funded debt. Holders of the $8,500,000 of 6% first mortgage bonds received $2,550,000 of new 5% first mortgage bonds and 102,000 shares of common stock. Holders of the $8,491,000 of convertible debentures received 25,473 common shares.

Volume of cross-river traffic increased 16% for vehicles and 7% for pedestrians in 1936. With the elimination of part of the competition, some improvement may be shown, although fixed charges will be increased. Detroit & Canada Tunnel Corp. reported an operating profit, before interest, of $231,327 for the ten months ended Oct. 31, 1936. This was the largest profit ever shown by the old company.

# Sterling Coal Profits Are Higher for Year

Sterling Coal Co., Toronto, earned its bond interest 1.37 times after depreciation in the year ended March 31, 1937, compared with 1.25 times in the preceding year. Net profit for the last fiscal year amounted to 35 cents a share on the 25,000 common shares of $100 par value against 25 cents a share in the year ended March 31, 1936.

Funded debt outstanding has been reduced to $543,500 at March 31, 1937, from $579,000 a year earlier.

**Consolidated Income and Surplus Account**
Years Ended March 31

| | 1937<br>$ | 1936<br>$ |
|---|---|---|
| Net oper. profit | 94,725 | 94,849 |
| Add: Int. & dv. inc. | 2,814 | 3,803 |
| Rentals | 5,302 | 4,551 |
| Total income | 102,841 | 103,203 |
| Less: Exec. salaries | 23,800 | 22,785 |
| Directors' remun. | 2,400 | 2,483 |
| Legal fees | 541 | 761 |
| Net earnings | 76,100 | 77,174 |
| Less: Depreciation | 29,102 | 29,926 |
| Bond interest | 34,211 | 37,893 |
| Income tax | 4,105 | 3.000 |
| Net profit | 8,682 | 6,355 |
| Add: Prev. surplus | 74,316 | 58,532 |
| Profit on red. of bds. | 3,004 | 13,948 |
| Profit real. on sale of secs. | 21,910 | ...... |
| Less: Loss on disp. of assets | 40 | 4,519 |
| W/o fixed assets | 10,000 | ...... |
| Surplus forward | 97,872 | 74,316 |
| **Working Capital** | | |
| Current assets | 464,139 | 403,746 |
| Current liabilities | 185,012 | 128,834 |
| Working capital | 279,127 | 274,912 |

*FOR THE BIG FAMILY*

Largest Plymouth, just introduced, is officially listed as a seven-passenger, but will, without crowding, seat nine. It is on a 132-inch wheelbase or 10 inches longer and three inches wider than the biggest Plymouth of last year. Auxiliary folding seats accommodate from two to three extra passengers.

# Company Reports

## Inter. Paper & Power

International Paper and Power Co. reports consolidated gross revenue, excluding that of International Hydro-Electric System and subsidiaries, of $114.5 millions in 1936, as against $96.3 millions in the previous year. After all senior charges there was a net profit for the year of $5 millions, as against a deficit, on the same basis, of $3.3 millions in 1935.

Consolidated balance sheet reflects a number of changes consequent upon the improvement in earning power. Funded debt increased during the year from $67.5 millions to $80.7 millions, reflecting a new bond issue of Southern Kraft Corp. Bank loans were reduced during the year from $15.9 millions to $674,000. Since the end of the year this item has been entirely liquidated. Outstanding preferred and common stocks of subsidiary companies, including dividends accrued but not declared, were reduced during 1936 from $16.4 millions to $15.8 millions.

On the asset side of the balance sheet, capital account now stands at $185.4 millions as against $198 millions a year ago. Among current assets, cash on hand shows an increase from $3.2 millions to $5.2 millions; accounts receivable from $13.2 millions to $15.7 millions; while inventories declined from $27.8 millions to $26.6 millions.

**Income and Surplus Account**
Years Ended Dec. 31

| | 1936<br>$ | 1935<br>$ |
|---|---|---|
| Gross revenue | 114,556,320 | 96,347,003 |
| Cost & exps. | 97,280,901 | 87,316,833 |
| Net revenue | 17,275,419 | 9,030,170 |
| Less: Bond interest | 3,889,150 | 3,915,004 |
| Other interest | 515,108 | 916,349 |
| Debt discount | 420,324 | 364,839 |
| Depreciation | 4,932,741 | 5,350,154 |
| Depletion | 792,973 | 723,016 |
| Income tax | 1,037,073 | 358,132 |
| Profits tax | 4,335 | ...... |
| Sub. dividends paid | 11,705 | 12,415 |
| Sub. divids. unpaid | 651,431 | 713,643 |
| Net profit | 5,020,579 | *3,323,431 |
| Add: Profit on bonds | 461,087 | 421,611 |
| Less: Adjustments | 12,889,175 | 130,140 |
| Previous deficit | 12,326,510 | 9,554,830 |
| Deficit forward | 19,734,019 | 12,326,510 |

*Deficit.

**Working Capital**

| | 1936 | 1935 |
|---|---|---|
| Current assets | 47,607,390 | 44,161,665 |
| Current liabilities | 12,357,639 | 26,657,783 |
| Working capital | 25,249,751 | 17,503,882 |

## Can. Vickers

Gross income of Canadian Vickers for the fiscal year ended Feb. 28, 1937, amounted to $142,961, as against $224,249 in the previous year. Bond interest was not covered and after providing for depreciation, there was a net loss during the year of $198,358, or $81,000 more than in 1936. The president reports that although sales for the period were fully 74% above the preceding year, some 60% of the total was not booked within the last quarter and is only now under production.

**Income and Surplus Account**
Years Ended Feb. 28

| | 1937<br>$ | 1936<br>$ |
|---|---|---|
| Gross income | 142,961 | 224,249 |
| Less: Bond interest | 150,390 | 150,390 |
| Depreciation | 190,254 | 190,477 |
| Directors' fees | 675 | 525 |
| Net loss | 198,358 | 117,143 |
| Previous deficit | 1,263,675 | 1,113,796 |
| Trans. to reserve | ...... | 30,000 |
| Deficit forward | 1,462,033 | 1,260,939 |

**Working Capital**

| | 1937<br>$ | 1936<br>$ |
|---|---|---|
| Current assets* | 767,063 | 793,898 |
| Current liabilities | 234,940 | 213,931 |
| Working capital | 532,123 | 580,867 |

*Includes $270,000 of capital stock allotted but unpaid.

## Canadian Inter. Paper

Canadian International Paper Co.'s consolidated financial statement for 1936 shows a material improvement in earning power during 1936. Net income was more than sufficient for interest charges, but $1.8 millions short of covering depreciation, depletion and other reserves. The deficit after similar charges in 1935, was over $3.7 millions. Improvement in earnings is reflected in the balance sheet position of the company. At the end of last year bank loans totalled only $674,000, as against over $1.7 millions at the end of 1935. Further, since the close of the year, these bank loans have been entirely eliminated.

Consolidated funded debt now totals $86.1 millions, an increase of about $600,000 during the year. This was due to the refunding operations in connection with the Newfoundland subsidiary. The $5 millions of 5% secured notes held by International Paper Co. were extended to April 21, 1937, and, as far as is known, have been given a further hoist.

The amount due to International Paper Co. increased during the year from $7.5 millions to over $12 millions. About $1.5 millions of this increase was due to accrued and deferred interest.

Property account, including woodlands, is shown in the current statement at $121 millions. This contrasts with $123.6 millions a year ago. The investment of over $1 million in the News Print Bond and Share Co. has been eliminated from the balance sheet as that company has been wound up. The only other change of interest among assets is an increase in the amount due from International Paper Co. and International Paper Sales Co. from about $2.5 millions to around $6.9 millions.

**Income and Surplus Account**
Years Ended Dec. 31

| | 1936<br>$ | 1935<br>$ |
|---|---|---|
| Sales | 46,067,503 | 38,538,395 |
| Other income | 115,326 | 167,456 |
| Total | 46,182,829 | 38,705,851 |
| Cost of sales | 38,946,276 | 33,388,948 |
| Operating profit | 7,236,553 | 5,316,903 |
| Interest charges:— | | |
| Subsid. companies | 1,920,816 | 2,039,897 |
| Parent company | 3,493,649 | 3,389,104 |
| Amortiz. of disct. | 375,347 | 373,133 |
| Depreciation | 2,165,288 | 2,178,359 |
| Depletion | 613,326 | 584,787 |
| Subsid. prof. tax | 644 | 6,648 |
| *Dividend | 504,400 | 504,400 |
| Loss for year | 1,836,966 | 3,759,425 |
| Profit on bonds redeemed | 125,498 | 159,031 |
| Deficit for year | 1,711,468 | 3,600,394 |
| Add: Prev. deficit | 8,465,950 | 10,191,364 |
| †Write-off | 2,828,885 | ...... |
| Less: From reserve | ...... | 5,325,809 |
| Deficit forward | 13,006,302 | 8,465,950 |

*Undeclared dividend for 1936 and 1935 on preference shares of subsidiary company.

†Write down to nominal or estimate realizable values of certain non-operating plants and properties, woodlands and investments.

## Colonial Steamships Ltd.

Colonial Steamships Ltd., Toronto, reports improvement in earnings and working capital for 1936 compared with 1935. An increase in depreciation charges resulted in a deficit after bond interest. The report notes that there are arrears of $120,000 of sinking fund. The company was formerly Mathews Steamship Co. and has an issue of $275,000 of 6% prior lien bonds maturing in 1941, senior to the $1,190,000 of 6% general mortgage bonds due 1954.

There is $125,000 on deposit with Barclays Bank (Canada) Montreal, to the credit of the company for working capital purposes, available at the discretion of directors.

**Income and Surplus Account**
Years Ended Dec. 31

| | 1936<br>$ | 1935<br>$ |
|---|---|---|
| Net earnings | 128,171 | 98,833 |
| Add: Interest | 150 | 182 |
| | 128,321 | 99,015 |
| Less: Fund. debt int. | 93,871 | 93,900 |
| Depreciation | 58,879 | 29,916 |
| Deficit for year | 24,429 | 24,801 |
| Add: Prev. deficit | 29,303 | 9,002 |
| Less: Salvage claim, 1934 | ...... | 4,500 |
| Res. for repairs | 2,303 | ...... |
| Disc. on bonds | 150 | ...... |
| Deficit forward | 51,279 | 29,303 |

**Working Capital**

| | 1936<br>$ | 1935<br>$ |
|---|---|---|
| Current assets | 163,305 | 173,111 |
| Current liabilities | 84,222 | 110,504 |
| Working capital | 79,083 | 62,607 |

## Premier Laundry Ltd.

Premier Laundry Ltd., Calgary, had an operating profit of $12,960 in 1936 compared with a loss of $3,371 in 1935. Total sales for the year increased $10,158 from those for 1935. Accumulated deficit carried forward after all charges, however, increased to $33,180 from $32,312.

Frank H. Whitney, chairman, says that "business has been influenced to some extent by Government regulations, but any benefit obtained by price-fixing 'codes' has been lost by the reversal of Government policy, and the only apparent effect of Government interference up to the present, being an increase in the amount of taxes the company is called upon to pay."

Directors plan to deal with the matter of a reorganization plan, which will permit the company to pay dividends, at the adjourned meeting of May 25, 1937.

Current assets at Dec. 31, 1936, totalled $17,957, while current liabilities were $7,709, leaving working capital at $10,248. Working capital was $3,396 at Dec. 31, 1935, and at that time the company had a mortgage payable of $3,118 which has since been repaid.

# *Quebec Restricts Sale of Glasses*

From Our Own Correspondent

QUEBEC.—Department stores in the Province of Quebec will no longer be able to dispense spectacles and eyeglasses to customers, as the result of a bill which was adopted by the Legislature of Quebec last week.

The bill, which has been before the House for the last two sessions, was one presented by the Association of Optometrists and Opticians of the Province of Quebec, and sought various changes in their charter.

# *Canadian Newsprint Mills Continue to Set Record Pace*

From Our Own Correspondent

MONTREAL. — Canadian newsprint paper production and shipments advanced sharply in April. Production, according to the Newsprint Service Bureau, totalled 298,347 tons and shipments 310,614 tons. Output for the same month last year was 258,721 tons and shipments, 267,296 tons.

Production in the United States was 78,642 tons and shipments 84,992 tons, compared with 76,470 tons and 77,546 tons, respectively, in April, 1936.

During April 30,793 tons of newsprint were made in Newfoundland, compared with 25,224 tons last year, bringing the total North American production for the month to 407,782 tons. This compares with production in April, 1936, of 360,416 tons.

Canadian mills produced 211,294 tons more in the first four months of 1937 than in the corresponding period of 1936, an increase of 22.2%. It is interesting to note that in the first four months in 1936, there was a gain of 17.4% over the corresponding period of 1935.

The output in the United States this year to the end of April was 8,063 tons or 2.6% more than in the first four months in 1936, and in Newfoundland, 19,556 tons or 19.6% more, making a total increase of 238,913 tons, or 17.6%.

Stocks of newsprint paper in Canadian mills were reported at 72,223 tons at the end of April and 12,406 tons at United States mills, making a combined total of 84,629 tons. This contrasts with 103,246 tons at the end of March, 1937.

The opening of navigation made possible the shipment of considerable tonnage which had accumulated.

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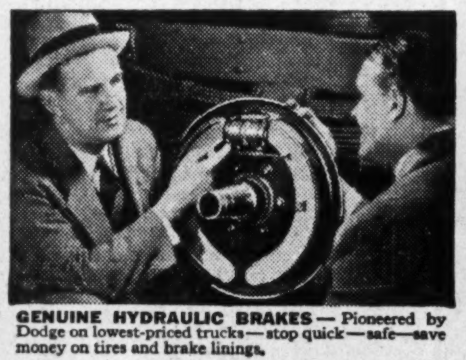

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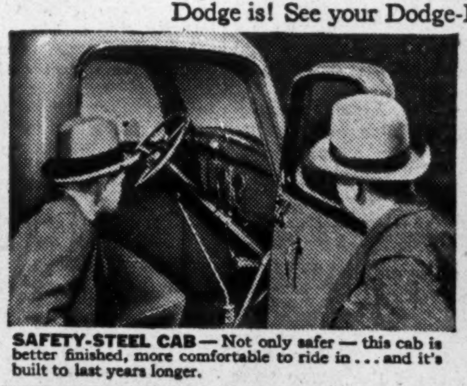

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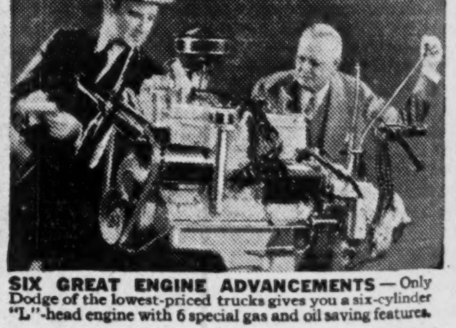

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# Can Science Solve the Weather Riddle?

## Effort to Rob Weather of Mystery and Find Key for Long Range Forecasts Intensified by Experts

By GUY S. CUNLIFFE

SCIENTISTS the world over have wiped out any justification that may have once existed for Mark Twain's remark: "Everybody talks about the weather, but nobody ever does anything about it."

Right here in Canada, to cite an example of outstanding and immediate interest, the Dominion weather bureau has just armed itself with a brand new weapon for solving the riddles of the atmosphere. It is a robot weather observer that automatically radios reports to the ground from various strata of the upper air.

The long struggle to solve those riddles of weather is being fought today with increasing intensity, and engaging the energies of a growing number of scientists in many countries. The prize they seek is the key to world weather changes through the centuries and an understanding of the cosmic influences which wrought those changes.

Once having forged that key, they are confident they can unlock the door to what the future holds, and see far ahead what the elements have in store. Eventually, they believe, man will be able to foresee the vast changes, developing over periods of years, of heat and cold, of rain and drought, of storm and calm. He will be able to plot a schedule of all those movements and upheavals over nations and continents and oceans which are so simply covered by the word "weather."

To millions of people, even the limited foreknowledge of such movements available today means the difference between comfort and discomfort, disaster and success, life and death.

For centuries people sought to foresee weather and bring about auspicious conditions by consulting soothsayers, pagan high priests, medicine men and other masters of the arts of guesswork, mumbo jumbo and consultation of such signs as the innards of sacrificed animals. Use of such unreliable weather prophets has a modern counterpart, in the opinion of weather scientists, in the widespread resort to cheap almanacs in rural areas and employment of people like "Rainmaker" Hatfield in the West some years ago.

### Weather Means Money

MOST vitally concerned are the growers of Canada's grain crops and those engaged in marketing, financing and related operations. All available scraps of weather information—daily reports, forecasts and long term prognostications—are watched closely by all concerned with the fortunes of grain. Little imagination is required to realize how anxiously they await discovery of a means by which general weather conditions can be predicted a year ahead, or even months or weeks in advance.

In this and other countries, regular weather reports and forecasts have acquired increasing importance to grain crop producers and to fruit growers. For example, certain orchard spraying operations cannot be carried out if the wind is too brisk. Some spray materials injure foliage if they become wet after application, while others must be put on while the leaves are wet. Some pests become active during certain weather conditions, advance knowledge of which enables growers to apply the appropriate defensive spray.

Fruit growers have been saved from heavy losses by advance warnings of gales and other severe storm conditions just as fruit was ripening, being enabled to pick the fruit before the storm hit. In California and British Columbia, special forecast services have periodically prevented millions of dollars of damage from frosts. Advance warnings have given the growers time to light smudge fires, in the orchards and fend off the destructive frost.

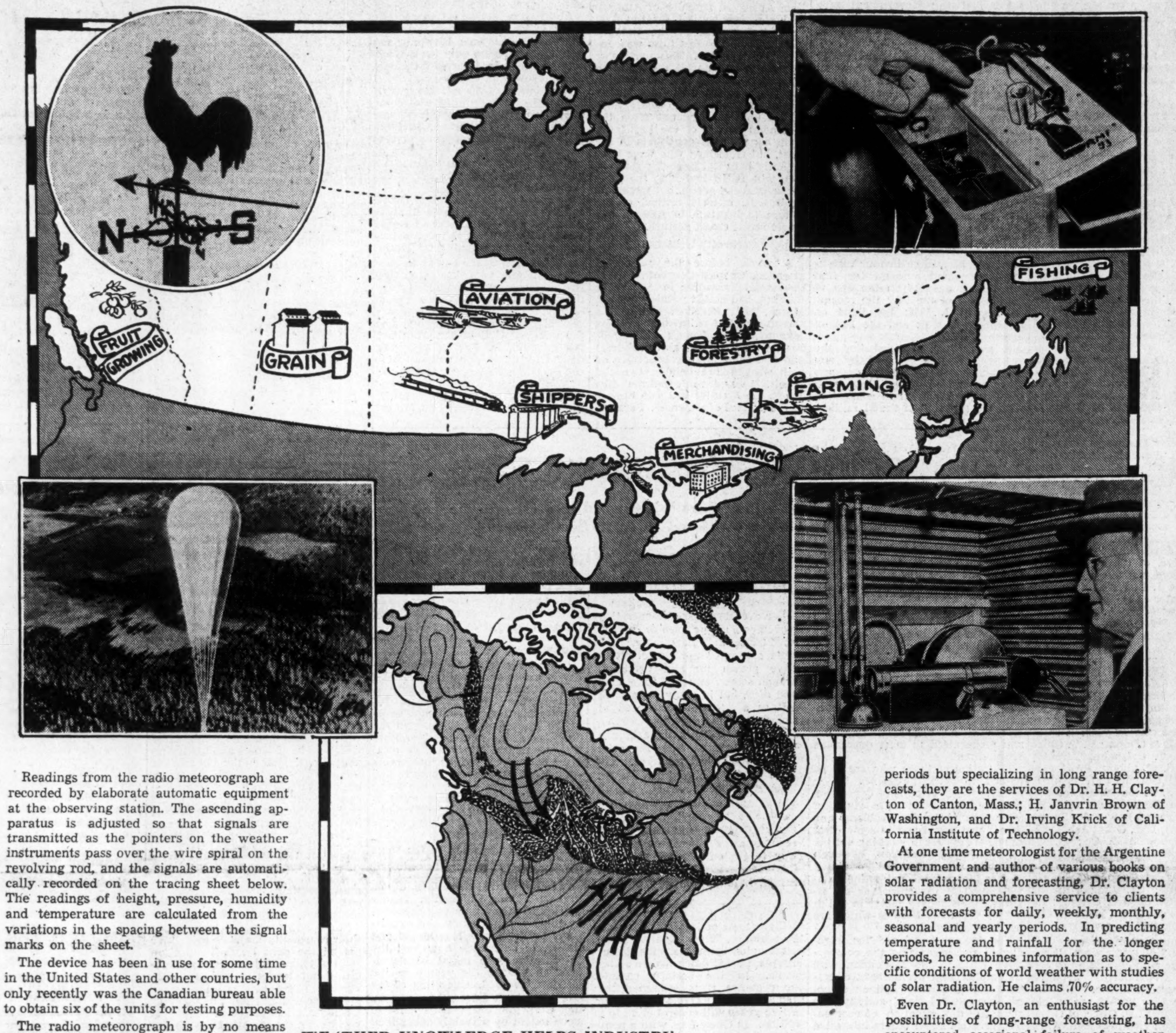
With the passage of years, scientists in various fields have made steady progress toward the ultimate goal of predicting weather cycles and periodic changes far in advance. Gradually the percentage of accuracy and the length of the predictable periods become higher. The picture of actual weather and its movement throughout the world, the picture that is essential to project the outlines of the future, broadens.

It is to add new dimensions to this picture that the Dominion weather bureau has acquired its new instrument. Known as the radio meteorograph, it puts in the hands of the bureau power to reach literally into the sky.

### Radio Meteorograph

IN CONSTRUCTION it is so simple as to seem almost improvised. A plain wooden box about a foot long contains batteries, two radio tubes, miniature short wave transmitting apparatus and a mechanism for revolving a small rod thrust through the top lid of the box. Around the rod is spiralled a thin wire and adjusted so as to impinge on the wire are three delicate pointers. The pointers are attached to tiny, sensitive instruments which register temperature, humidity and air pressure.

The apparatus as a whole is attached to a balloon. When released, it can soar as high as 12 miles into the upper air, transmitting for record below the successive changes in weather conditions in the various strata above the earth.



### WEATHER KNOWLEDGE HELPS INDUSTRY

To an increasing degree in modern times, industry and business have come to depend on weather information and forecasts to protect them from losses arising out of destructive conditions of the elements. The upper map visualizes some of the chief activities to which weather advices are of vital importance. Map below is an artist's impression of a typical map of continental weather conditions which meteorologists use in making forecasts by the modern "air mass" or "front" method. The wavy lines delineate areas of varying pressure, the dark shaded parts denote regions in which rain is falling, and the arrows show the direction of the cold and warm air masses moving over the continent. Upper left is a weather vane, once the only dependable indication of weather changes. Upper right shows one of the radio meteorographs just acquired by the Dominion weather bureau to aid it in checking upper air conditions. Lower right shows John Patterson, director of the bureau, inspecting another new type of instrument, which registers ventilated temperatures and humidity and transmits them automatically to a recording instrument within the bureau offices at Toronto. Photo at lower left shows a stratosphere balloon ascent to aid science in studying upper air conditions.

Readings from the radio meteorograph are recorded by elaborate automatic equipment at the observing station. The ascending apparatus is adjusted so that signals are transmitted as the pointers on the weather instruments pass over the wire spiral on the revolving rod, and the signals are automatically recorded on the tracing sheet below. The readings of height, pressure, humidity and temperature are calculated from the variations in the spacing between the signal marks on the sheet.

The device has been in use for some time in the United States and other countries, but only recently was the Canadian bureau able to obtain six of the units for testing purposes.

The radio meteorograph is by no means the first or the only means of bringing to trained observers the secrets of weather developments and movements far beyond the reach of ground instruments. But it represents a marked advance in efficiency over other methods. More extensive and accurate results can be obtained, and obtained more dependably and quickly.

Similar instruments strapped to the wings of airplanes have been and are being used to get upper air weather data. But the height to which an airplane can go is limited, and major conditions or movements above the ascent limit of a 'plane may be missed entirely.

Also used are pilot balloons, whose courses are followed with an instrument that determines height and angles, and the direction and velocity of upper wind currents determined. Sounding balloons are similar to the radio meteorograph, except that the responses of the instruments are automatically recorded on a paper cylinder.

The disadvantage in comparison with the radio device is that the bureau must depend on the sounding balloon being found after it falls to earth, and the finder returning it to the bureau for the $2.50 reward offered on an attached tag. Many are never returned and those that do turn up are sometimes not available for weeks or months after being sent up.

The data thus obtained are valuable as a record of conditions prevailing on certain days, but the immediately transmitted records from the radio unit can also be used in making daily forecasts.

### The Front Method

READINGS of weather conditions reaching vertically up into the sky, give official observers a three-dimensional conception of the atmosphere, instead of the two-dimensional picture across the earth's surface on which they had to rely up to recent years. This is of increasing importance because of the modern development of a broader method of weather analysis and forecasting.

It is known as the "air mass" or "front" method of weather study. Meteorologists have always recognized the principle that weather was the product of circulation of the world atmosphere. In recent years they have evolved the guiding belief that all weather movements, developments and disturbances result from movement of great air masses across the surface of the earth. Speaking broadly under the immense conception that weather scientists must follow, there are two types of these masses—the warm currents sweeping up from equatorial regions and the cold currents from polar areas.

It is from closer and more exhaustive study of the shifting "fronts" representing the alignments between these vast moving masses, and of the disturbances resulting from their impact upon each other, that meteorologists have made greater progress in recent years.

It is obvious that if frequent and dependable recordings can be obtained of upper air conditions, meteorologists can gain an immensely deepened perspective of the development and movement of world weather. They can make predictions farther ahead and with increasing accuracy, and be more specific in describing the conditions they predict.

Today both the Canadian and United States weather bureaus estimate that the degree to which their daily forecasts are verified ranges between 85 and 90%. Higher percentages prevail during some periods. The period for which conditions are predicted usually ranges from 12 to 24 hours, and bureau officials refuse to make forecasts on which they invite reliance beyond 48 hours.

### Accuracy First

AS TO forecasts farther ahead than that, Canada's weather bureau rejects them entirely as independable. The United States bureau, through Edgar B. Calvert, chief forecaster, goes only as far as to claim "a fair degree of accuracy" for forecasts of important weather changes a week in advance. But beyond that official meteorologists refuse to go.

John Patterson, director of the Dominion Meteorological Service, is firm in his opinion that the numerous attempts to set up a method of long term forecasting have failed. Whatever degree of success has attended some of these attempts, notably the efforts of the authorities on sun spots, is not regarded as anywhere nearly sufficient to warrant forecasts by the weather bureau.

Mr. Patterson and other meteorologists throughout the world are quick to point out that meteorology has been evolved as an exact science, dealing with known conditions and limiting its predictions to virtual certainties. The greatest effort of weather scientists today is concentrated, not on extending its length of forecast periods, but to make even more precise both forecasts on their present basis and knowledge of weather conditions as they transpire.

As a matter of fact, one of the most important modern beneficiaries of weather forecasts is insistent in its demand, not for predictions farther ahead, but for shorter periods and in more specific terms. The aviation industry is not interested in weather disturbances that may develop many hours or a full day after a 'plane has completed its trip. What it does want is exact advice as to conditions to be encountered over every portion of an air service route, within the comparatively short period required for a flight.

The Dominion Bureau compiles special forecasts twice daily for the Montreal-Albany airline, necessary data being transmitted by teletype from the Toronto headquarters to the forecaster at the St. Hubert air field near Montreal. Forecasts at other times and for specific periods, are furnished for this route and other lines in Canada upon request to the various offices of the Bureau. At present, all resources of the Bureau are being mobilized to provide a comprehensive weather service for the Trans-Canada airline, and for the western half of the projected transatlantic air route.

### Long-range Forecasts

BUT while the weather bureau concentrates on giving more specific and more frequent forecasts, and holds aloof from efforts to produce long-range forecasting formulas, other agencies are working on the long-range problem. And their claims to discovery of solutions become increasingly frequent, and more and more insistent.

A remarkable development resulting from refusal of official services to attempt long-range forecasting has been the establishment of privately operated weather services. As far as can be learned, there are none in Canada, but in the United States there are at least three. Giving forecasts for varying periods but specializing in long range forecasts, they are the services of Dr. H. H. Clayton of Canton, Mass.; H. Janvrin Brown of Washington, and Dr. Irving Krick of California Institute of Technology.

At one time meteorologist for the Argentine Government and author of various books on solar radiation and forecasting, Dr. Clayton provides a comprehensive service to clients with forecasts for daily, weekly, monthly, seasonal and yearly periods. In predicting temperature and rainfall for the longer periods, he combines information as to specific conditions of world weather with studies of solar radiation. He claims 70% accuracy.

Even Dr. Clayton, an enthusiast for the possibilities of long-range forecasting, has encountered occasional failure of weather cycles to respond with direct exactitude to sun spot cycle factors. Last year, for instance, he succeeded in forecasting several weeks or more in advance the early cold wave, the warm March, the warm July and the spring floods in the United States. But the available data on which he based his predictions failed to indicate the severe drought west of the Mississippi, but instead gave reason to believe that the rainfall deficiency had ended in 1935.

At the same time, Dr. Abbot of the Smithsonian Institution, predicted last year's dry summer as far ahead as April, 1936.

### Business Benefits

SEVERAL Canadian firms are reported to use the Clayton service, but the only known one is Canadian Canners, Ltd. Dependable foreknowledge of weather conditions, particularly of extremes of heat or cold, drought or rain, is of vital importance to Canadian Canners. The chief crops in which it is interested are tomatoes, peas, corn and apples, all susceptible to extreme weather conditions at almost any stage of their growth. The growing areas in which it is interested are scattered about British Columbia, Ontario, and Quebec.

Weather forecasts are of particular importance to such a company in making advance contracts for growers' crops, and in timing the start and speed of canning operations. Indications of a drought, for instance, enables the company to be prepared to make additional advance contracts to bring the volume of produce for canning up to the level of a year with normal rainfall and up to the requirements based on market expectations. If plentiful rain and other favorable conditions are indicated, the company can expect that the necessary volume will be assured by contracts with fewer growers.

The company by no means makes or changes plans purely on the basis of the Clayton reports. But W. R. Drynan, the president, finds them very useful, he says, as a general guide and to supplement the official forecasts and reports of daily conditions issued by the Dominion weather bureau.

Mr. Drynan is not only interested in the development of long-range weather forecasting because of its importance to his own business and to growers of canning crops. As a Canadian businessman, he is also alive to the vital part that weather plays in the prosperity of agriculture, and particularly of the Prairie Provinces. He believes decisive steps should be taken and adequate financing provided, to determine the validity or otherwise of the weather sun spot cycle theories.

Personally, he is inclined to believe that weather cycle predictions can be depended on to a greater extent than is generally acknowledged. They certainly have reached a point, he feels, to justify a thorough study.

### Good Crops Ahead?

HE points out that if the sunspot-weather cycle experts are right, the next few years will see progressive disappearance of drought conditions and return of normal moisture precipitation. This being so, he fears the rehabilitation and irrigation work in western drought areas will be wasted for some years to come. Authorities on sunspots and weather have detected a pattern of cycles with periods as short as 11 years, but the generally accepted length of the cycles is between 22 and 23 years. Dr. Abbot has observed a cycle of 46 years.

If long-range forecasting can be depended on in even a general way, Mr. Drynan argues, western wheat growers should be encouraged to prepare for good crops, instead of curtailing wheat acreage, during moist years of the weather cycle. And immediately in advance of probable drought years, wheat reserves could be built up and plans laid to care for populations in likely drought areas.

It is a vast field in which weather scientists work, to analyze weather cycles and determine the factors of periodic changes. It covers the whole surface of the earth, and stretches out into the universe in study of the sun and moon. The sciences being utilized include meteorology, astronomy, oceanography (to check ocean winds and currents), botany and biology. The last two are used to check relations between weather cycles and changes in plant and animal life. Agriculturists and trained statisticians are in the forefront of the concerted movement to solve the weather enigma.

The greatest progress toward a solution appears to have come from study of the interrelation between weather cycles and the cycles of changes in the number and quality of sunspots. With growing confidence in recent years, supporters of the sunspot theory maintain that there is a direct relation between the periodic fluctuations in the number of sunspots, the perceptible cycles in the past set up by the high and low peaks of sunspot frequency, and the cycles of drought and moisture, heat and cold, and other manifestations of world weather.

This is challenged by meteorologists. While accepting sunspots and their variations as among the factors producing weather cycles and fluctuations, the meteorologists reject sunspots as a sole, direct influence on weather. Furthermore, they insist, sunspot and weather cycles may be parallel but do not coincide with sufficient regularity or exactitude over long periods of years to form a basis for dependable long-range forecasting.

It is also objected (notably by Andrew Thomson, chief physicist of the Dominion Meteorological Service) that it is impossible to forecast sunspot variations accurately even a year or so in advance. If predictions of sunspot changes are unreliable, forecasts of weather changes based on these predictions would be equally dubious.

### Broadening Field

PERHAPS the foremost authority on this continent on solar radiation and its effect on weather is Dr. C. G. Abbot, secretary of the Smithsonian Institution at Washington. The exhaustive researches on the subject carried on by him and under his direction have steadily broadened and today most comprehensive researches are being conducted through correlation of the work of U. S. government agencies with that of the Institution and private agencies, such as universities.

In Canada, the most extensive work on the subject appears to have been done by Ralph E. DeLury, assistant director of the Dominion Observatory at Ottawa, and president of the Royal Astronomical Society of Canada. Also working on the problem (and equally hampered by lack of time and lack of funds) are men in the department of agriculture and the Bureau of Statistics. But there appears to be no concerted or officially financed effort to solve the problem, such as is being made in the United States. The U. S. Weather Bureau is collaborating with Dr. Abbot in attempting to evolve a basis for long-range forecasting, but the Dominion Service is carrying on no work along these lines.

A. H. Bogue of the Dominion Bureau of Statistics, has been working on the subject of long-range forecasts and crop yield prediction for 10 years or more, though for the past six years he has had little opportunity to continue his studies except in his leisure time. He is now working out the correlation between autumn rains and early spring crop yields.

Proponents of long range forecasting possibilities are quick to point out that not so many years ago, meteorology was regarded with suspicion if not outright derision. The beginnings of weather analysis and forecasting date back to the discovery of the barometer in the 17th century. But according to John Patterson, head of the Dominion Meteorological Service, meteorology as it is known today got its start less than 100 years ago, when development of the telegraph facilitated daily exchange and interpretation of weather observations in different parts of a country, or different parts of the world.

When weather observing and forecasting services were being organized on this continent and in England, 60 and 70 years ago, many scientific men denounced forecasters as "no better than charlatans."

In modern times, weather forecasting has come to be an essential service to those in virtually all walks of life. Knowledge of weather and its movement or changes is vital to shipping and aviation, but official reports have come to be more and more relied on by agriculturists, processers and shippers of agricultural products, and others whom weather conditions affect in both business and personal affairs.

# Montreal Exchanges Elect 1937-38 Officials

## Four Organizations Hold Annual Meetings — Few Changes

**From Our Own Correspondent**

MONTREAL. — Montreal's stock and commodity exchanges held their annual meetings this week, resulting in several changes in the governing bodies.

Lieut.-Col. J. E. McKenna, of Yates & Co., has been elected chairman of the Montreal Stock Exchange by acclamation for the term 1937-38. He succeeds H. J. Child, of Holt, Rankin & Child, chairman for the past two years.

With the exception of the five governing members, elected from among the partners of the Exchange members, all offices were filled by acclamation.

Grant Johnston, head of the firm Grant Johnston & Co., fills the position of vice-chairman, succeeding F. S. Mathewson, of Thomson, Mathewson & Co., who has retired from the committee. Mr. Mathewson has been elected trustee of the Gratuity Fund for a period of three years.

The new secretary-treasurer is J. D. Herdt, partner in L. G. Beaubien & Co., successor to Grant Johnston in that position.

New additions to the board are F. S. Molson, of Molson, Lawson & Co., and Louis Robert, of Geoffrion & Robert. The following were re-elected: Raymond Allan, of Greenshields & Co.; H. C. MacDougall, of MacDougall & MacDougall; A. E. D. Tremain, of Moat & Co.; and D. S. Yuile, of O'Brien & Williams. G. P. G. Dunlop is assistant secretary.

### Allen Heads the Curb

Raymond Allan, partner in Greenshields & Co., has been elected chairman of the Montreal Curb Market by acclamation. He was vice-chairman during the past two years and succeeds Lieut.-Col. J. E. McKenna, who has just been elected chairman of the Montreal Stock Exchange.

D. S. Yuile, of O'Brien & Williams, who has served as secretary-treasurer since May, 1935, was named vice-chairman, while Paul E. Ostiguy, of Garneau & Ostiguy fills the office of secretary-treasurer.

J. R. Ballantyne, of Craig, Ballantyne & Co. is the only new nominee, filling the vacancy left by Lieut.-Col. McKenna.

Other members of the board of management were re-elected as follows: P. A. Brault, of Brault & Chaput; A. H. B. Mackenzie, of Mackenzie & Kingman; F. S. Molson, of Molson, Lawson & Co.; F. J. Smith, of Routledge, Jarvis & Co.; and W. W. Thompson, of Drury & Thompson, T. D. Robertson is acting secretary.

### Commodity Exchange Slate

Andrew S. Beaubien, partner of L. G. Beaubien & Co., has been elected president of the Canadian Commodity Exchange, Inc., by acclamation, succeeding Grant Johnston, of Grant Johnston & Co., who will remain a governor. Mr. Beaubien was president of the Clearing Association during the past year.

K. H. Olive, of Olive & Dorion, was re-elected to the vice-presidency, while J. B. Weir, of Oswald & Drinkwater has been named treasurer, suceeding A. E. D. Tremain, of R. Moat & Co., who will, however, remain on the board of governors.

The only new name on the slate is Paul E. Ostiguy, of Garneau & Ostiguy, who fills the vacancy created by the retirement of H. J. Child, of Holt, Rankin & Child.

The following is the board of governors for the coming year: J. Chaput, of Brault & Chaput; H. T. Chisholm, of H. T. Chisholm, Toronto; L. S. Colwell, of Abbott, Proctor & Paine; Russell Cowans, of McDougall & Cowans; J. F. Desmarais, of the Co-operative Fédérée de Quebec; John Freeman, of Lovell & Christmas (Canada), Ltd., Grant Johnston of Grant Johnston & Co.; G. C. Liersch, of C. J. Hodgson & Co.; Paul Linz, of Carl M. Loeb & Co.; A. F. McGillis, of Alex. D. McGillis & Co. Ltd.; Paul E. Ostiguy, of Garneau & Ostiguy; A. E. D. Tremain, of R. Moat & Co. Miss F. Monk will be secretary.

### Clearing House Officers

Officers and directors were all re-elected at the annual meeting of the Canadian Commodity Produce Clearing Association, Inc.

The officers for 1937-38 are as follows: president K. H. Olive, of Olive & Dorion, Ltd.; vice-president, A. F. McGillis, of Alex. D. McGillis & Co.; secretary-treasurer, J. M. Schmauder; assistant treasurer, Wm. Boyd.

Directors for the ensuing year are: A. S. Beaubien, of L. G. Beaubien & Co.; L. S. Colwell, of Abbott, Proctor & Paine; A. F. McGillis, of Alex. D. McGillis & Co.; K. H. Olive, of Olive & Dorion, Ltd.; and M. C. Oswald, of Oswald & Drinkwater.

## U. S. Advertising Linage Swings Upward for April

**From Our Own Correspondent**

MONTREAL.—Newspaper advertising linage recovered sharply in April, according to returns compiled by Media Records and published by Editor and Publisher.

Measurements in 52 cities show a total linage in April of 131 million lines as against 121.8 millions in April last year, an increase of 7.5%. Display linage totalled 105.3 millions, as against 99.3 millions last year, while classified advertising at 25.7 millions represented an increase of 14.2% over the same month last year.

In the breakdown of linage, Media Records Inc. reports an increase in retail, departmental store and general advertising. Declines were noted for automotive and financial advertising.

## Classified Advertisements

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad., $1.75. Three insertions for the price of two. Add five words when box number is required. Classified ads. payable in advance.

### Attention!

EXECUTIVES and office managers. Young man—3 years experience cost and general accounting—wishes to become associated with a reputable manufacturing company or an investment house. Moderate salary in exchange for a position with a future. Box 55, The Financial Post, 481 University Ave., Toronto.

### EXECUTIVE AVAILABLE

FINANCIAL AND ACCOUNTING Executive with well balanced training is available for responsible position. Have successful background of rich and varied experience together with a thorough understanding and appreciation of the fundamental principles of business. Know how to deal effectively with the many problems relative to Organizing, Administration, Finance, Budgetary Control, Accounting, Cost Work, Investigations, Production and Marketing. Readily adaptable to new circumstances, young, married, and can furnish excellent credentials. Replies confidential. Box 59, Financial Post, Toronto, Ont.

## DIVIDEND NOTICES

### The Canadian Bank of Commerce

**Dividend No. 201**

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st May, 1937, and that the same will be payable at the Bank and its Branches on and after Tuesday, 1st June next, to shareholders of record at the close of business on the 30th April, 1937. The Transfer Books will not be closed.

By Order of the Board,
A. E. ARSCOTT,
General Manager.
Toronto, 23rd April, 1937.

### The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid-up capital stock of this Institution has been declared for the quarter ending 30th June, 1937, being at the rate of ten per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Friday, the 2nd day of July, 1937, to shareholders of record of the 19th June, 1937.

By Order of the Board.
DUDLEY DAWSON,
General Manager.
Toronto, 13th May, 1937.

### Banque Canadienne Nationale

**DIVIDEND NOTICE**

Notice is hereby given that a dividend of two per cent (2%) (being at the rate of 8% per annum) has been declared by the Directors of the Banque Canadienne Nationale on the paid-up capital stock of the Bank for the quarter ending on the 31st day of May, 1937. This dividend, bearing the number 185, will be payable at the Main office or at the branches of the Bank, on or after the first day of June, 1937, to the shareholders of record on May 15, 1937.

By order of the Board,
CHARLES ST-PIERRE,
General Manager.

### Brazilian Traction, Light and Power Company, Limited

Notice is hereby given that the Board of Directors of this Company has declared a dividend of 50 cents per share on the Company's issued Ordinary Shares of no par value, payable on 10th July, 1937, to shareholders of record on the registers at the close of business on the 31st May, 1937. Payment of this dividend to non-residents of Canada will be subject to deduction of the Canadian Income Tax of 5 per cent.

Dated at Toronto, Canada, the 13th day of May, 1937.

By Order of the Board.
A. W. ADAMS,
Secretary.

NOTE: The Transfer Agents of the Company are National Trust Company, Limited, Toronto and Montreal, Canada.

The Company's London Agents are Canadian and General Finance Company, Limited, 3 London Wall Buildings, London E.C. 2, England.

## DIVIDEND NOTICES

### The Bank of Toronto

**Dividend No. 223**

Notice is hereby given that a **Dividend** of **Two and One-Half** per cent. upon the Paid-Up Capital Stock of this Bank has been declared for the current quarter, and the same will be payable at the Bank and its Branches on and after the first day of June next, to shareholders of record on May fifteenth, 1937.

By Order of the Board.
H. B. HENWOOD,
General Manager.

### The Bank of Nova Scotia

**Dividend No. 270**

Notice is hereby given that a Dividend of three per cent on the paid-up Capital Stock of this Bank has been declared for the current quarter to shareholders of record of June 15th, and that the same will be payable on and after Friday, the second day of July next, at any of the offices of the Bank in Canada.

By order of the Board.
H. F. PATTERSON,
General Manager.
Halifax, N.S., May 11th, 1937.

### Canada Cement Company Limited

**Preference Dividend No. 20**

Notice is hereby given that a dividend of One Dollar ($1.00) per share on the Preference stock of this Company has been declared, payable on the twenty-first day of June next to Preference shareholders of record at the close of business May 31st, 1937.

G. A. RUSSELL,
Secretary.
Montreal, May 13, 1937.

### Anglo-Canadian Telephone Company

**Class A Dividend Notice**

NOTICE is hereby given that a dividend of One and One-Quarter Per Cent (1¼%) has been declared on the Class A Stock of the Company, payable June 1, 1937, to stockholders of record at the close of business on May 15, 1937.

By order of the Board.
GEOFFREY PURDY,
Secretary.
Montreal, May 14, 1937.

# Early Enquiry On Tramways

## Duplessis Introduces Bill Covering Proposed Survey

**From Our Own Correspondent**

MONTREAL.—Premier Duplessis has introduced into the House a bill setting up a commission to revise the contract between the City of Montreal and the Montreal Tramways Co. In the bill itself it is provided that the Government may create an investigating committee composed of not less than three nor more than five members.

This committee will have power and be obliged to examine, make an inventory and valuate all the tramways system of the company and, without restriction, its railway lines, rolling stock, machinery, equipment, and other movable and immovable property.

The bill provides that the committee must investigate working conditions—and possible improvement of the public transportation system of Montreal under the terms of the 1918 contract.

The matter of money due to the city is settled by a clause in the bill which provides that the company must pay $1 million in four installments of equal amount, the first installment payable on the day of sanctioning of the bill; the second, on August 1, 1937; the third on December 1, 1937; and the last on March 1, 1938.

It is further provided that the company cannot be sued by any bondholder, shareholder or any other interested party other than the City of Montreal in connection with the payment of the $1 million.

# A Tough Time for Moses

**By WILFRID SANDERS**

CALGARY.—"If I've done anything wrong, kick me out. Right away. I must have done it in my sleep."

The speaker, Dean William Aberhart, fumbled for his handkerchief, mopped the freely flowing perspiration from his huge face, and looked with a weary gesture over the congregation of the Calgary Prophetic Bible Institute.

"I guess that's all. Let's sing hymn No.——"

To an easterner, witnessing William Aberhart, Premier of Alberta, in his native habitat for the first time, the service at the Calgary Prophetic Bible Institute was intensely interesting. This particular service was made all the more so because of the fact that the Premier, the week before, had experienced one of the most severe castigations of his political life, not from the "financial barons of the East," not from his political opponents in the west, but from men who were until recently his most devout followers, men who still adhered to the principles of social credit, but were now insurgents, bitterly critical of the failure to institute in Alberta one single social credit gesture.

### Cockroft's Criticism

A week before the service I attended, Charles Cockroft, former Provincial Treasurer in Aberhart's Cabinet, had stated publicly that in March, 1936, Aberhart had held a secret meeting with the bankers (synonymous, among Social Crediters, with the powers of darkness) and that since this secret session he had washed his hands of social credit. It was not inferred that, like Faust, the Premier had sold himself to the powers of darkness. Perhaps, however, the process had been reversed.

Keyed up by the potency of the insurgent movement, Calgarians and farmers for many miles around, flocked to hear what the Premier would say in rebuttal.

### Prophetic Institute

The Institute itself is a neat little hall, unadorned by any ritualistic trappings, of course, but with the odd potted palm on the platform, and around the reading desk. The choir was banked behind the reading desk, over which loomed the bulky figure of the Dean.

Aberhart was dressed in sombre black which accentuated the utter whiteness of his face He spoke for two hours, pausing only for a hymn or a solo by a member of the choir, or for brow-mopping

Nine tenths of his address was in the form of a running fire of commentary on the old testament and old testament characters, particularly Moses, interspersed with references to the great reformers of history, their trials and tribulations at the hands of their rather thick-skulled followers.

He spoke of the Children of Israel, and read extracts from the Bible to illustrate how the Lord had tested them, and how they, in turn, instruments of the Lord, had tested Moses.

### Like the Green Pastures

To anyone who has seen the Broadway success "Green Pastures," the similarity between the personal God who as "de Lawd" was the central character of the play, and the personal God of Mr. Aberhart, is unmistakable. For example, one need only quote one passage from the Premier of Alberta's address:

"And the Lord came to Moses and said: 'You've been having a pretty tough time of it, haven't you, Moses? It seems like everything's gone wrong. Gone against you. Here you've gone and led the Children of Israel out of bondage. You thought you were cornered at the Red Sea. Egyptians behind you, and the sea in front of you. But you came out of it all right, didn't you? You saw the sea divide up the middle and your people get by all right, and oppressors all drowned when the waters came back? Now you haven't any food, and your people murmur against you.'

"Ah, these murmurers," interposed the speaker. "Did you ever murmur, huh? Ahah! I guess we all have. Well, anyway, the Lord said to Moses, 'I tell you what I'll do. I'll send down food from heaven for you, Moses.'

"Did you ever notice that before? I didn't until today. He said He'd send down food for Moses, so that the Children of Israel could again have faith in him. He was doing it for Moses. It looks like you will all have a good crop this year, rain and everything. I wonder how many of you will thank the Lord for that, eh? I just pass it out as a suggestion."

The symbolism could hardly be called subtle. It was there for anyone to pick off; Moses and Aberhart; Manna and a good crop; murmuring Israelites and the insurgents.

### Life of the Birds

Leaving theology for a moment, the Alberta Premier touched on ornithology.

"I was reading the other day about the Whistle Bird, which always sings when it is in trouble. A man once heard it singing outside his window for days. He investigated and found the little bird caught in a tangle of weeds. Boy, if you ever hear me break into song, you'll know what's the matter."

This last remark went over with a bang. The congregation clapped, shouted with laughter, and nudged each other, repeating it aloud amid the din, to make sure they had squeezed the witicism dry. The man beside the writer leaned over and whispered: "He's in great form today. He's giving it to 'em, eh?"

The hubbub, so unexpectedly stirred, died away, and the Dean was again speaking.

"It's mother's day today. We all only have one mother. I am going to ask Brother Blank to sing 'Mother O' Mine.'"

Brother Blank complied with alacrity and a reedy baritone.

The song over (as in a church, there was no applause for the solos) Dean Aberhart started reading the names of those Social Credit Clubs which sent in contributions to the cause; Little Creek, $1; Triumph, 50 cents; New Chicago, $1.50, etc., etc.

Then came another hymn, after which more of Moses and his trying adventures. Half an hour before the Dean was due to catch his train back to Edmonton he became more specific, and referred directly to the charges which had been laid against his Government by his former colleagues.

### About the Bankers

He, of course, denied having met "the bankers" in secret session. The only meeting he could recall was the one when the bankers presented their opposition to debt legislation.

"You know we did not accept their representations," he said. "We passed the debt legislation bill in spite of them. This bickering, backbiting and slandering will get us nowhere. These arrows of slander, prejudice and hate don't help at all."

Suddenly he started to shout. "If you were persuaded that the present break was being manipulated by the financiers, in some unknown or unrevealed manner, what would you do," he roared. "I claim there should be no break in the ranks on the floor of the house for any reason whatsoever."

Again the congregation, or audience, shouted and slapped each other. For the 20 minutes remaining he continued in similar vein. The shadow of the golden calf was being cast over the Alberta scene. So Moses, Aberhart, was going to ask his constituents to express themselves to their representatives—not a plebiscite, of course, but an informal expression of opinion.

Then it was that the Premier, obviously weary, asked his followers, to "kick him out" if he had done anything wrong, sleeping or waking.

Before the final hymn was half over, the thronged hall started to empty. The man seated next to the writer felt for his cap below the pew, and started to leave.

"Boy," he whispered as he sidled out, "he ain't lost nothing, that boy."

# Co-operative Democracy —

## St. Francis Xavier Plan Stirs Widespread Interest — Encouraging Results Achieved in Nova Scotia Areas

## New Movement Fights Depression

For over 100 years; co-operative movements in one form or another have taken their place in the economic set-up of the world. They have grown up and persisted, though some flourished for a time and died, but in many cases have left as a heritage some seed of sound economic doctrine.

In the accompanying article a correspondent of The Financial Post has sketched briefly the results so far achieved by the St. Francis Xavier movement, one of the latest debutantes which receives its sponsorship from the Roman Catholic University of the same name. Plans are now under way to try out the principles of this movement, started in Nova Scotia, in other parts of Canada.

From experiments in economic and social welfare started six years ago at the St. Francis Xavier University, Antigonish, N.S., a new co-operative movement has been created which is now well established in a small area of eastern Canada and has aroused keen interest among students of and participants in co-operative ventures in the rest of the Dominion.

The movement is based primarily on the old doctrine of group and community effort to work out economic salvation, but application of this doctrine has been improved and modernized to meet depression requirements.

Education of those who are to be helped to save themselves is the primary task. Groups of depression victims are guided in a study of their own particular problems and then given moral and in some cases financial support in working out the solution. The education, however, does not stop at material welfare. Cultural, social and recreational development is recognized as an essential, if secondary factor in building up the little Utopias which are the idealistic goal.

The system developed for introducing and organizing the co-operative units in the Maritimes, with its emphasis on preliminary education and instruction and on co-operative cultural-social activity, has attracted the attention of economists, producers and others interested in the co-operative movement in other parts of the continent. Numerous individuals and groups have journeyed to Nova Scotia to study the working of the scheme at first hand, and studies are being made to determine whether the plan, in whole or in part, can be adapted to cope with similar conditions elsewhere.

### Confined to Nova Scotia

Thus far, concrete results of the experiment are still confined to Nova Scotia and New Brunswick and, within the former province, chiefly to the Cape Breton area where the influence of the university is directly exerted. Here the movement has its centre in a department of adult education under the direction of Professor A. B. MacDonald and Dr. M. M. Coady.

As a working basis the department has taken the study group. In these groups directed by university economists the needs of the community are discussed and an efficient economic remedy sought. In general the results today can be measured in the success of 73 credit unions in the province, 25 co-operative stores, credit union banks and manufacturing plants, including 35 lobster plants. In the eastern part of the province it is estimated that members of these credit unions within five years will control close to $1 million. In Glace Bay, with a population of 1,000 miners, 800 are credit union members.

At the same time from these study groups there is growing something in the nature of local culture. Call it limited, if you will, for as yet the movement has concentrated on study, social and economic lines. Literary and artistic expression has yet to come.

### Growth of Movement

At present there are over 12,000 members in 1,100 study clubs in Nova Scotia and New Brunswick. The movement has been taken up in Newfoundland and steps are under way to test the applicability of the system to sections of central and western Canada. A survey of co-operative ownership in eastern Nova Scotia reveals:

1. Partners in credit unions, 14,000.
2. Partners in consumers' societies, including the British Canadian Co-operative, 5,480. (This does not include four new stores opened in 1937.) The British Canadian unit has been established for some years in Sydney and is unrelated to the St. Francis Xavier groups.
3. Partners in fish co-operatives, 535.

These 18,000 share partnerships in folk-economic institutions are valued at more than $626,000. It may be said that this is small; but it has been built up by poor people. Its growth must be slow. Haste would destroy it.

### Study Group Organized

During 1936 alone, 150 men's and 150 women's study clubs were organized in the centre of the Cape Breton coal industry at Glace Bay. There were also 19 associated study clubs formed throughout the same district. Other endeavors during the past year include the opening of two new co-operative lobster factories in the Cape Breton area, one at Main-a-Dieu and the other at Little Bras D'Or. A co-operative sawmill was also established at Johnstown.

One of the major organizations to be formed during the past year under the guidance of the movement was the Cape Breton Dairymen's Association. This organization will purchase the milk of Cape Breton farmers and after pasteurizing it at its new plant at Sydney will distribute it throughout the community.

Central libraries have also been established at Glace Bay and New Waterford in the centre of the Cape Breton coal fields. Branches have been opened at Dominion, Florence, and Little Bras D'Or. In the mining districts of Cape Breton the New Waterford credit union has a membership of over 1,000 and a similar membership is registered at the various other credit unions operating throughout the Cape Breton coal fields.

### Fishing Village Reclaimed

The small fishing village of Alder Point, N.S., is a typical example of the new democracy now rising up in eastern Nova Scotia. Here 100 Cape Breton fishermen, nearly beaten by the present upset economic conditions throughout the world, came through and solved their own economic salvation by co-operative measures and now have restored faith and hope in the future.

Five years ago a large percentage of the villages were on relief. They were faced with fallen prices, disorganized sales methods and glutted markets.

On the shores of Alder Point today is a two-story building erected at an estimated cost of $5,000. It contains the latest equipment for canning fish and the estimated value of the equipment is $1,000. On the other end of the point stands another large building. It is a fish meal plant and also contains considerable equipment. Men are coming in and out of the plants, lobsters are being handled and the canning plant is employing 55 young men and women who are sending its products to the four corners of the world.

The actual operation of the Nova Scotia plan was launched in 1930, as a ramification of the extension and social welfare operations of St. Francis Xavier University. Inauguration of the scheme was preceded by some years of study and experiment by Professors MacDonald and Coady, to determine how best the co-operative idea might be developed to benefit the people in the districts involved. Operation of the work has been financed largely by the Carnegie Corporation and to some extent by privately subscribed funds.

## DIVIDEND NOTICES

### HUDSON BAY MINING AND SMELTING CO., LIMITED

**DIVIDEND NO. 5**

A Dividend of Seventy-five cents (75c.) (Canadian) per share has been declared on the capital stock of Hudson Bay Mining and Smelting Co., Limited, payable June 28, 1937, to stockholders of record at the close of business on May 28, 1937.

H. E. DODGE,
Treasurer.
Dated May 17, 1937.

### Consolidated Diversified Standard Securities LIMITED

**Dividend No. 10**

NOTICE is hereby given that a dividend of 37½ cents per share on the outstanding fully paid non-cumulative redeemable First Preference shares has been declared, payable June 15, 1937, to shareholders of record June 1, 1937. Transfer books will be closed from June 1 to June 15, 1937, inclusive.

By Order of the Board,
A. G. TIERNEY, Sec.

P.S.—Dividends accruing on fully paid shares not as yet registered in the company's stock records shall be set aside and paid only when registration shall have been completed.

### Lake Shore Mines, Limited

(No Personal Liability)

**DIVIDEND NO. 60—BONUS NO. 27**

NOTICE is hereby given that a quarterly dividend of one hundred per cent, together with a bonus of one hundred per cent, on the issued capital stock of the Company, will be paid on the fifteenth day of June, 1937, to shareholders of record at the close of business on the first day of June, 1937.

By order of the Board.
KIRKLAND SECURITIES, LIMITED.
SECRETARY.
Dated at Kirkland Lake, Ontario,
May 15, 1937.

## Mining Companies Newly Formed

**Upper Seine Gold Mines**—Ont. incorp. Apr. 26, 1937. H. O. Toronto. Auth. cap. 3,000,000 shares, $1 par.

**Lansdowne Minerals**—Ont. incorp. Apr. 21, 1937. H. O. Nashville, Ont. Auth. cap. 150,000 shares, $1 par.

**Kenbrae Gold Mines**—Ont. incorp. Apr. 22, 1937. H. O. Toronto. Auth. cap. 3,000,000 shares, $1 par.

**Mineral Sands Reduction**—B. C. incorp. May 3, 1937. H. O. 1070 Hare St., Vancouver, B.C. Auth. cap. 25,000 shares, $1 par.

**Tom Creek Placers**—B. C. incorp. Apr. 28, 1937. H. O. 1318 Standard Bank Bldg., 510 Hastings St. W., Vancouver, B.C. Auth. cap. 250 shares, $100 par.

**Silver Standard Mining Co.**—B. C. incorp. Apr. 29, 1937. H. O. 714, 736 Granville St., Vancouver, B.C. Auth. cap. 4,000,000 shares, 50 cents par.

**Lusko Gold Mines**—Que. incorp. Apr. 24, 1937. H. O. Hull, Que. Auth. cap. 20,000 shares, $1 par.

**Lac Varsan Gold Mines**—Que. incorp. Apr. 24, 1937. H. O. Montreal. Auth. cap. 3,500,000 shares, $1 par.

**Gilson Duverny Gold Mines**—Que. incorp. Apr. 24, 1937. H. O. Montreal. Auth. cap. 3,000,000 shares, $1 par.

**Merrell Mining & Exploration**—Que. incorp. Apr. 20, 1937. H. O. Montreal. Auth. cap. 20,000 shares, $1 par.

**Mackey Development**—Que. incorp. Apr. 21, 1937. H. O. Montreal. Auth. cap. 20,000 shares, $1 par.

**Homathko Gold Mines**—B. C. incorp. May 1, 1937. H. O. 507 Stock Exchange Bldg., 475 Howe St., Vancouver, B.C. Auth. cap. 3,000,000 shares, 50 cents par.

### *Capital Increase*

**St. Anthony Gold Mines**—As of Apr. 27, 1937, has increased its capital from 3,300,000 shares to 5,000,000 shares by the creation of 1,700,000 additional shares, $1 par.

### *Change of Name*

**United Copper Gold Mines**—Will apply as of June 6, 1937, to the B. C. Registrar of Companies for approval of a change of its name to the name of Cyress Oil Company, Limited.

### *Charters Surrendered*

**Rand-Ore Mines** — Will apply to the Lieutenant-Governor of Ontario for acceptance of the surrender of its charter on and from a date to be fixed by the Lieutenant-Governor dated May 4, 1937.

## Barker's Bread Ltd. Pays 8-cent Dividend

A dividend of eight cents a share has been declared on the common stock of Barker's Bread Ltd., Toronto. This payment will be made June 1, 1937, to shareholders of record May 20.

This payment will be the first of monthly payments of a similar amount which were announced in connection with the recent listing of the company's stock on the Toronto Stock Exchange.

### New Mining Map

Surveys and Engineering Branch of the Dominion Department of Mines and Resources has issued a revised edition of the Quetico map sheet, covering that part of northern Ontario lying west of Lake Superior and containing the greater part of Quetico National Park. Part of the park extends westward from the area mapped to that covered by the Rainy River map sheet

## Hamilton United Theatres Makes Capital Reduction

Hamilton United Theatres Ltd. has been granted supplementary letters patent reducing the authorized capital from a total of $3 millions to $1.08 million. This reduction is effected by changing the par value of the common stock from $25 a share to $1 a share.

Shareholders authorized this reduction at a special meeting held April 9, 1937. At the same time authority was granted to reduce goodwill, franchises, etc., from $1,310,188 to $157,708.

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# Dome Mines Head Gives Art Collection to Public

Much interest has been reflected in Canada in the recent establishment as a public art treasure of the magnificent collection of Jules S. Bache, New York broker and financier, who is president of Dome Mines, Ltd. Concurrently with the gift of the notable array of paintings and antique furniture, which has been placed in custody of the State of New York, Mr. Bache has turned over his fine home on Fifth Avenue, New York, as a museum to house the collection.

Included in the gallery of paintings, assembled with great care over a period of years, are a Raphael portrait purchased for $600,000 in 1929; Holbein's portrait of Edward VI ($250,000), a grandee's portrait by Goya, a self portrait by Velasquez, three Bellinis, three Titians, three Fragonards, three Gainsboroughs, an inlaid table of Marie Antoinette, and a room full of authenticated Chippendale furniture.

Announcement of the gift was made in New York a few hours after the elderly, monocled Mr. Bache sailed for England, to witness the Coronation and spend the summer with his daughter, Mrs. Gilbert Miller. Her husband, the Toronto-born playwright-producer, is the son of Henry Miller, who settled in Toronto and practised law there before going on the stage.

A week later, it was discovered in London that Mr. Bache had ingeniously got around the stipulation that he appear by 6 a.m. at the seat he had reserved to view the Coronation. At the age of 75, he did not relish the prospect of such early rising or of having to wait nearly five hours for the start of the procession. The seat was in the stand erected at Westminster Hospital, immediately opposite the Abbey. So he arranged to occupy a room at the hospital the night before the Coronation and to sleep peacefully until a short time before the procession arrived at the Abbey.

## Mining News Concentrates

**San Antonio Mine** has exposed 500 ft. of ore in drifting on vein 208, second level. East face is still in ore, and of the 500 ft. opened up 400 ft. runs about .04 oz. gold per ton over drift width of 5 ft. and the remaining 100 ft. is of commercial grade. Two compartment winze has now been completed to 1,550 ft. with crosscutting being done on the three new levels. Stoping has begun on 1,050-ft. level which was developed late in 1936. Grade of ore milled has improved, mill heads running about 0.3 oz. per ton.

* * *

**Upper Canada Mines** reports that diamond drilling has indicated an ore zone 1,000 ft. long on the 400-ft. horizon showing an average of $10.05 across a true width of 18.4 ft. Four holes have been put down, two east and two west of the shaft. First hole east is said to have cut ore running $8.50 across a true width of 5 ft., while the second hole, 500 ft. east of the shaft ran $7.50 across true width of 25 ft. West of the shaft the first hole ran $11 across a true width of 18 ft. and the second hole west $22.80 across a true width of 10 ft., it is reported.

* * *

**Kiask Falls Mining** in Laas and Tonnancourt Twps., Abitibi district of Quebec, has been formed to develop 34 mining claims. Two sheared zones at the west end of the property have been partially uncovered, and through trenching and stripping they are found to extend northward for some 200 ft., according to a report by Eugene Frey, M.E. Wherever outcroppings have been examined, says Mr. Frey, the geological conditions are favorable.

Officers are: Ralph Herz, president; Maurice Grant, vice-president; Roger Zucker, J. P. Manley and Arthur W. Staniforth, directors. Mr. Manley is the only Toronto representative, all other officers being Cleveland men.

* * *

**World Production** of gold in March was estimated at 3,033,000 oz., compared with 2,878,000 oz. produced in February. South African output jumped to 982,000 oz. from production of 924,000 oz. in the preceding month. United States production, including the Philippines, totalled 358,025 oz.

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# Men Behind the Scenes

## Advisory Experts to Canadian Delegation at London Are Able Group—Dr. Skelton Heads Economic Section—Defense Well Represented

From Our Own Correspondent

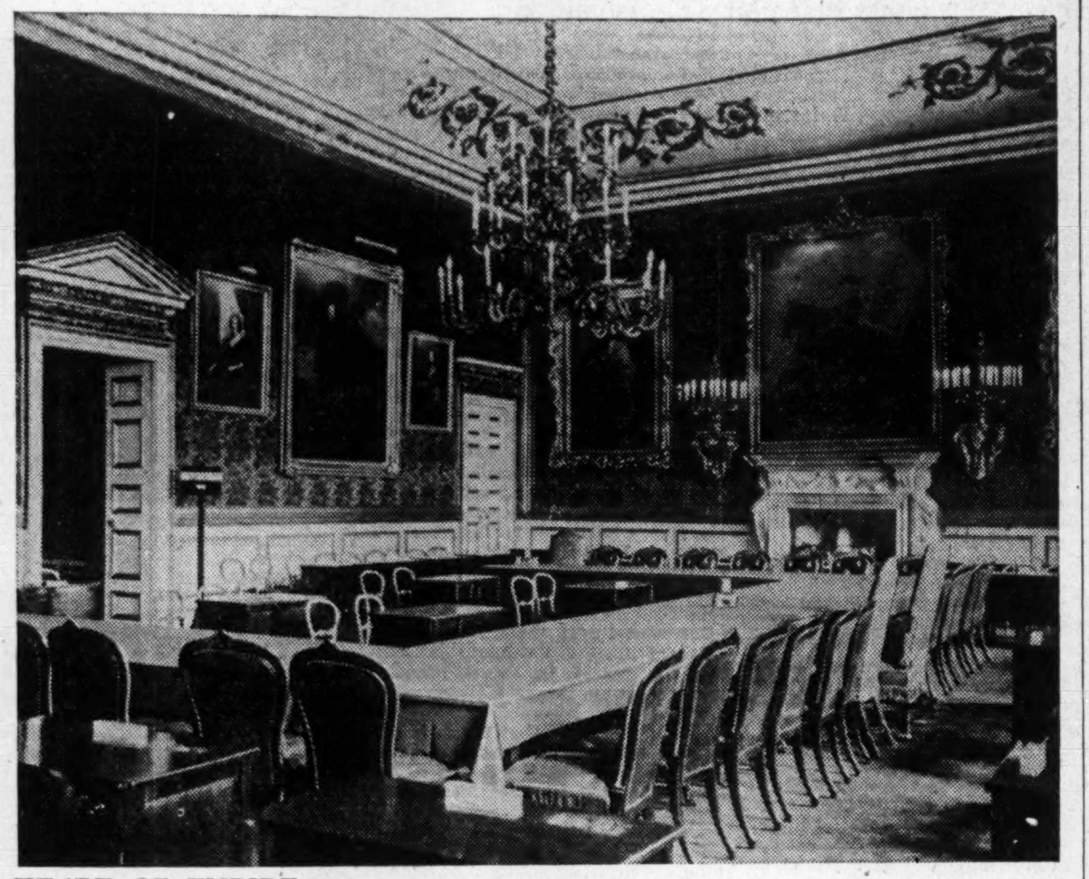
OTTAWA.—It is one of the truisms of Parliament Hill that ministers may come and ministers may go, but that the senior civil servants go on forever.

And they go especially to international or Imperial conferences in which the Government of the day may be taking part.

For Canada is building up a permanent corps of trained experts in international affairs, whose experience goes back now to the Versailles Peace Conference and includes attendance at Geneva, at the World Economic Conference, and at three Imperial Conferences.

These are the men who will be behind the scenes when Canada's statesmen confer in London on matters of Imperial political, economic, and defense policy. They will not be featured in the newspaper dispatches or headlines reporting the progress of the conference, but as men who have had the daily administrative contact and experience with the problems that the conference will consider, they will be the undercover factors of importance in influencing the attitude which Canada will take.

Parliament Hill is justifiably proud of its distinguished corps of governmental and economic experts. They are not "brain-trusters" in the sense that they are out to reform and regiment the country's economy. But they are men of distinguished knowledge, sound judgment, and proved practical capacity.



**HEART OF EMPIRE**

Deliberations of the Imperial Conference at London are being held this year for the first time in St. James's Palace Formerly these meetings were held at 10 Downing Street. The photograph shows the main conference room of the palace, which was also the meeting place for the famous Naval Conference of 1930.

### *Oscar D. Skelton*

At their head is Oscar D. Skelton, Deputy Minister of External Affairs, biographer of Sir Wilfrid Laurier, one-time prominent Liberal, but of whose capacity Rt. Hon. R. B. Bennett thought so highly that he proffered him a knighthood—which was courteously refused.

Dr. Skelton, despite the international reputation which he enjoys for his broad knowledge of world politics and world economics, is not so old that some on Parliament Hill cannot remember intimately when he was the prodigy in economics from Queen's University, who proceeded to take post-graduate work in Chicago and win there the coveted Hart, Schaffner, and Marx prize for his book on Socialism, which is still a standard work in the universities of the continent. For many years Dr. Skelton headed the economics department at Queen's, until the present Prime Minister, in the early nineteen-twenties, induced him to head the Department of External Affairs.

Previously he had been behind the Federal scenes on many occasions as a confidant and adviser to Laurier. His forte is his breadth of knowledge, the soundness of his judgment, and the accuracy with which he thinks. He combines brilliancy with care, and through Liberal and Conservative administrations alike Canada's foreign and Imperial policy has owed much of its success—when more ephemeral politicians have been given the credit—to his enlightened grasp of the fundamentals which Dominion statesmanship should keep steadily in view.

### *Loring Christie*

Then there is the amazing Loring Christie, a native of Amherst, Nova Scotia, a graduate of Acadia University, and a graduate of the Harvard law school, where he had the high distinction of being the editor of the Harvard Law Review.

While at Harvard, Christie became the great friend of the son of Wickersham, who was Secretary of State in President Taft's Government. Wickersham, recognizing Christie's ability, took him into his office in Washington and Christie was on the point of becoming a naturalized United States citizen when Spring-Rice, who was then British ambassador, told Sir Robert Borden of the brilliant young Canadian who was in danger of becoming lost to the Dominion.

Sir Robert acted promptly and appointed him to the External Affairs Department, with the result that Christie became Sir Robert's right-hand man through the Great War, and went with him afterward to the Versailles peace conference. Since that time he has spent some years out of the public service as counsel to the Ontario Hydro, to the Beauharnois Corporation, and to Sir James Dunn and his enterprises in England.

During the year of depression, however, with world-wide nationalism creating acute international problems, Prime Minister Bennett induced him to return to Canada's foreign service. He is not only an able lawyer, but particularly well posted on international affairs generally.

### *Legal Counsellor*

John Read, legal counsellor of the Department of External Affairs, will be another of the important behind-the-scenes men at the London conference. Regarded as one of the soundest lawyers in the Federal service, he is one of the group of Rhodes scholars who have climbed to eminence on Parliament Hill and refuted the old saying: "Once a gold medallist, never heard of again."

Read, like Christie, is a product of the Maritimes. He graduated from Dalhousie law school, went as a Rhodes scholar to Oxford, and returned to Dalhousie as a lecturer in law. He is an expert in international and constitutional law and a shrewd appraiser of the current trend of international events.

### *Norman Robertson*

The final member of the Department of External Affairs' staff to go over with the Imperial Conference delegation is far from being its least distinguished. He is Norman Robertson, regarded as one of the most brilliant Rhodes scholars ever to have come from Canada.

A son of Dr. Lemuel Robertson, professor in Classics at the University of B. C., he was by way of being a mental prodigy in his youth, and completed his university course at the age of 19. He took post-graduate work at Harvard and entered the Department of External Affairs by the wholly undistinguished route of a civil service examination. For a time his own unobtrusiveness allowed him to escape attention, but gradually his remarkable abilities drew him into prominence.

Oscar D. Skelton

Harvard University drafted him into its economics department at double the salary he was receiving from the Canadian Government, with the definite prospect of a full professorship in a few years time. Parliament Hill missed him sorely, so much so that Prime Minister R. B. Bennett deliberately broke civil service regulations in order to bring him back—at a salary, incidentally, still something less than Harvard was paying him.

He is the perfectly qualified career man for the foreign department of any country. Something of a linguist, he carries in his head an amazing knowledge of foreign politics, of foreign tariffs, of foreign currencies, supplementing all of which is his brilliance as a practical economist.

Such is the corps of economic, political, and legal experts by whom Canada's ministers at the Imperial Conference will be surrounded. It is an able body, and one reasonably seasoned with experience all the way from Versailles and down through Geneva and London.

### *Defense Experts*

The present conference promises to give a large place to the question of Empire defense, which lends particular importance to the Dominion's naval and military experts.

They are a group less seasoned in administration and less experienced in the technique of international conference than the political and economic experts, but they possess the essential qualification of knowing their work thoroughly.

Commander Percy Nelles of the Navy, son of a well-known military family in the Niagara district, has not only risen through merit in the Canadian navy to his present post of high command, but has also a record of service in the British Navy with which to supplement his Canadian training. That he is a man of strong and definite ideas on naval matters he demonstrated in his memorable fight against General Andrew MacNaughton, then chief of staff, to maintain the identity of the navy and prevent it being merged under the general command. From this controversy he emerged successful.

Col. L. R. LaFleche, Deputy Minister of National Defense, is a soldier of distinguished record who comes from a famous loyalist family of Quebec Province. He is thoroughly modern in his defense ideas, and the present movement toward mechanization in the Canadian militia is commonly attributed to his influence. Associated with him at London will be Major General E C. Ashton, Chief of Staff, another thorough and competent officer, and Colonel H. D. G. Crerar, who, as Director of Operations and of Intelligence, holds an international reputation for his knowledge of military strategy and tactics.

Squadron Commander G. M. Croil, who is the active head of the aviation branch of the Canadian forces, will be on hand to advise on matters of aerial defense. An aviator of distinction, he is highly regarded on Parliament Hill for his grasp of the fundamentals of air defense policy.

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# Empire Life Volume Up 41% This Year

Volume of paid-for new insurance written by the Empire Life Insurance Co. to date this year is 41% above that for the corresponding period a year ago, the company reports. Improvement is particularly apparent in Ontario.

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# More Freedom Sought For Britain's Tariffs

## London Economist Demands More Elasticity on Empire Preference Margins — Sees Britain Hamstrung on World Trade Policies

As a means of increasing Empire trade, particularly that trade which concerns exports from the Dominions to the United Kingdom rather than the reverse, the Ottawa agreements of 1932 have been a fair success. As a means of increasing world trade in general, however, there has been no improvement. This is the rather doleful conclusion of The Economist, London, in a special review of Empire trade, released on the eve of the new Empire Conference now in session at London.

"If all the items are added together, an increase of less than £6 millions in imports from the Empire seems to be out-balanced by a drop of £34 millions in imports from foreign countries. Thus in these all important items of Empire trade the producer has gained far less than the foreign producer has lost by the new British commercial policy. The exporter who has lost foreign markets, as well as the consumer, has paid for the protection of home agriculture, and Imperial preference has only very partially succeeded in its professed aim of mitigating the barriers to world trade. The real problem has still to be tackled." This is the Economist's conclusion.

**Price Fluctuations**

Trade figures alone are liable to be misleading in trying to arrive at a satisfactory conclusion regarding trends over the past decade. Dollar volume cannot give an altogether representative picture for the simple reason that prices declined and rose rapidly during the period covered. Previous to the Ottawa agreement there was a steady rise in the price of commodities from 1925 to 1929. Then followed a sharper decline with values reaching a low point about the time the various agreements were signed in 1932. For a year or two after 1932 there was little appreciation in values, but toward the end of 1934 a movement upward started which has only recently shown some indication of tapering off.

Coupled with this rise and fall in commodity prices has been sharply fluctuating exchange with sterling at a low point prior to the middle of 1933 when in terms of Canadian dollars it suddenly jumped forward. Thus Canadian exporters of such things as lumber, apples and bacon received up to 25% more for the same volume of goods in 1935 as they would have received in 1932 but at practically no increase in price to British consumers. Bearing in mind these fluctuations in price and exchange the following tables as prepared by the Economist will give a general picture of the situation:

**BRITISH TRADE AND EMPIRE AGREEMENTS**

| | U. K. Imports | | | | U. K. Exports | | | |
|---|---|---|---|---|---|---|---|---|
| | Total ‡ £ | From foreign countries % | From Empire % | From Dominion* % | Total ‡ £ | From foreign countries % | To Empire % | To Dominion* % |
| 1925 ........ | 1,321 | 67.5 | 32.5 | 22.9 | 773 | 56.6 | 43.4 | 29.8 |
| 1927 ........ | 1,218 | 70 | 30 | 20.2 | 709 | 54 | 46 | 32.2 |
| 1929 ........ | 1,221 | 70.6 | 29.4 | 19.7 | 729 | 55.5 | 44.5 | 30.9 |
| 1930 ........ | 1,044 | 70.8 | 29.2 | 19.6 | 571 | 56.5 | 43.5 | 28.4 |
| 1931 ........ | 861 | 71.3 | 28.7 | 19.4 | 391 | 56.2 | 43.8 | 26.1 |
| 1932 ........ | 701 | 64.7 | 35.3 | 24.9 | 365 | 54.6 | 45.4 | 27.2 |
| 1933 ........ | 675 | 62 | 38 | 27.4 | 368 | 55 | 45 | 29 |
| 1934 ........ | 731 | 63 | 37 | 26.8 | 396 | 53.2 | 46.8 | 31.8 |
| 1935 ........ | 756 | 62.4 | 37.6 | 27.1 | 426 | 52 | 48 | 32.3 |
| 1936 ........ | 849 | 60.9 | 39.1 | 29.2 | 441 | 50.8 | 49.2 | 33.3 |

‡000,000's omitted. *Excluding Irish Free State, India and Southern Rhodesia.

**British Imports**

In so far as British imports are concerned the figures show conclusively that while these up to 1936 were still very considerably below the 1927 and 1929 totals, nevertheless the proportion of imports both from the Empire as a whole and from the Dominions have increased very substantially. Thus in the declining year of 1931, 12 months before the Ottawa agreements were signed, the Dominions, excluding India, the Irish Free State and Southern Rhodesia, shared just under 20% of total United Kingdom imports. By 1936 the total imports had almost reached the 1931 figure in point of value but nearly 30% of these now came from the Dominions. In other words, there was a gain of approximately 30% in imports from the Dominions and a corresponding loss to imports from foreign countries.

On the other side of the picture the transformation has not been nearly as rapid nor as conclusive. Of the £390 millions of British exports in 1931 considerably more than half went to foreign countries with the Dominions taking a trifle over 25%. In 1936 these exports had risen considerably beyond the 1931 figures, but over 50% were still going to foreign countries, whereas the Dominions had increased their buying only to slightly over 33%.

In commenting on this particular phase The Economist states: "This fact has been commonly taken as indicating that the United Kingdom got the worst of the bargain at Ottawa. That is the obvious comment on the more substantial rise in our imports from the Empire than in our exports to the Empire. Apart however, from the mercantilist error of regarding imports as inherently an evil the comment ignores the other influences that have intervened, including those aspects of British protectionism which are quite independent of Imperial preference. From their own point of view the Dominions argued that there was much more room for expansion in United Kingdom imports from the Empire than in their own imports from the United Kingdom."

In the British import side of the picture the big increase in Empire trade naturally has been in foodstuffs. Comparing figures for 1931 and 1935 The Economist points out that in money value the Empire exports of meat other than bacon and ham to the United Kingdom have more than held their own in the two years compared notwithstanding a considerable falling off in total imports of such products. In bacon and ham there was also a falling off in total imports between 1931 and 1935, yet in the latter year the Empire countries were shipping almost three times their exports of 1931 and Canada shared mostly in this increase. There was a similar falling off in total British imports of butter, but here again exports from the Empire countries showed a very slight increase. In cheese, on the other hand, there was a decrease in total Empire imports, but foreign countries suffered more than producers in the Dominions. Incidentally it is on both cheese and butter that Britain has been concentrating her domestic agricultural programme, and English producers are now turning out considerably more of such products than a few years ago.

The dislocation of United Kingdom trade as a result of the Ottawa agreements had a counterpart in the Dominions, according to The Economist survey. Thus it finds Britain selling more textiles to Canada and South Africa but these countries cutting foreign purchases to the same extent.

**Benefits Doubtful**

"The most important question about the Ottawa system is not which party got the best of the bargain," says The Economist, "but how far that system succeeded in its ostensible aim of clearing out the channels of Empire trade."

In that respect The Economist apparently is very doubtful. It continues:

"It cannot be denied that other countries look askance at agreements which have estabilshed a preferential régime over a large fraction of the globe; but this system had made a very large breach—in fact if not in name— in the old system of equal treatment under the most-favored-nation clause; and that has also handicapped the trade of other nations in the British market. Over a large area of trade, the Ottawa agreements fixed a standard preference and thereby made it impossible to reduce tariff to other countries. In certain cases the act involved the raising of tariffs against a third party."

In this connection the case of meat, a very important export from the Dominion's point of view and just as important an import from the United Kingdom's standpoint, is cited. The original Ottawa agreements precluded the British Government from imposing duties on Dominion meat, and from imposing any restrictions on volume from Australia or New Zealand until June, 1934. The Argentine, in the meantime, voluntarily cut down her exports of beef by 10% and of mutton and lamb by 20%. The two Dominions concerned were then prevailed upon to reduce their mutton and lamb exports by 10% but they refused to agree to any curtailment of their sales of beef. Moreover, both countries steadfastly maintained their opposition of principle when the agreements came up for renewal negotiations recently. The outcome has been that meat exports from the Dominions are to be subjected neither to compulsory restriction nor to a tariff or levy in the British market. Canada has secured a somewhat similar concession in regard to bacon.

"This struggle over restriction has been the most remarkable post-war development in Empire trade relations," comments The Economist. "It seems to foreshadow further intense conflict, behind the scenes of the Imperial Conference, between the protagonists of British agricultural protectionism and those who are convinced of the imperative need for wider markets for British manufactures."

**Suggested Solution**

The Economist's solution to the present impasse would be for the Dominions to follow the line adopted by Canada in the new agreement which followed the expiration of the Ottawa 1932 trade treaty. It would have them abandon the idea of a fixed margin of preference, which it points out makes it impossible to reduce duties against foreign goods, but would adopt rather a maximum duty on Empire goods. Secondly, it suggests that the Canadian example of an intermediate tariff should be followed which would enable Great Britain to give some of the benefits of preference to those foreign countries which pursue a genuinely liberal commercial policy. This would enable Great Britain to withdraw opposition to the formation of low tariff groups and to obtain the advantages of membership of such groups by the concessions in rates which each intermediate tariff would embody. Thirdly, it is proposed that Great Britain should make concessions toward United States or admit that country to an intermediate tariff but would soften the resulting keener competition for Dominion produce in the British market by asking the United States to make special trade concessions toward the Dominions concerned. In the case of Canada this might work out in freer entry of Canadian cattle into United States in turn for freer entry of American fruit or hams into the United Kingdom.

Finally The Economist argues that more elasticity is imperative to allow such a country as Great Britain to make trade concessions to such a country as Germany to avoid "closing of the door to foreign trade in the dependent Empire or giving color to Germany's plea that she can only secure the materials and markets that are vital to her from a colonial Empire of her own."

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# Quebec Denied Curfew Rights

## Skeleton of City's Bill, Minus Sales Tax, Passes Lower House

From Our Own Correspondent

QUEBEC.—Not only has Quebec City not been granted the right to impose a sales tax—similar to that prevailing in Montreal—but it has also seen the Legislature deny it curfew rights.

The sales tax, which would, it was hoped, have enabled the city to balance its budget, and also to wipe out a deficit of three-quarters of a million, was definitely given "thumbs down" by the House, especially when it was introduced into the bill as an amendment.

Curfew law for the city was also knocked on the head, and now the city charter amendments, so changed that the bill is but a skeleton of its original self, awaits adoption by the Legislative Council. It was the Legislative Council committee which ruled out the curfew law.

A chain store tax of $1,000, a clause which aroused keen debate in the Legislative Assembly committee, went through, despite a request that this tax be set at $500 for each store (Dominion Stores are the only ones affected in Quebec City).

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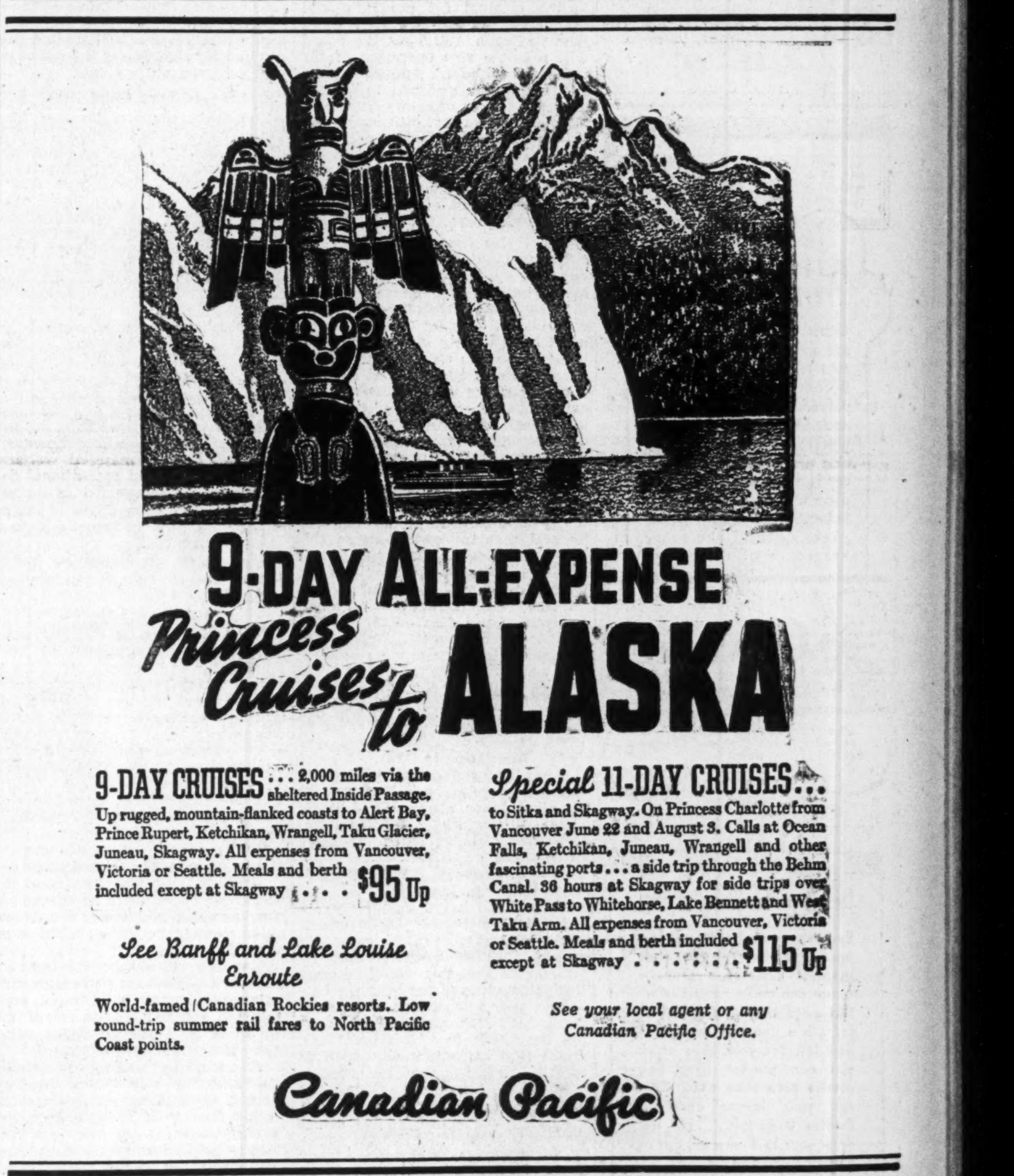

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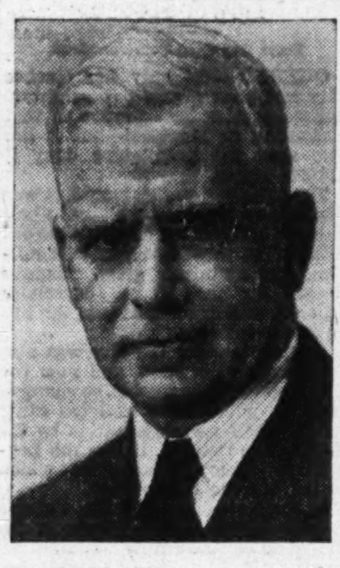
# Industry-Labor Board Soon to Start Dealing With Ontario Problems

## Independent Westerner Heads Newly Created Body

### FUNCTIONS OUTLINED



*CHAIRMAN*

E. J. Young, former M.P. for Weyburn, Sask., has resigned from the National Employment Commission to accept the chairmanship, of the new Industry and Labor Board of the Ontario Government.

Headed by a Saskatchewan farmer-parliamentarian without any known leanings toward either industry or labor, Ontario's Industry and Labor Board took shape this week as selection of its complete personnel was hastened by Premier Hepburn. It will turn promptly to preparations for performing its double function—setting minimum wages for both men and women workers in the province's industry and (to quote Mr. Hepburn's broad definition of its purpose) to "give labor and industry a better understanding of the problems confronting them."

Primary aim of the new board is declared to be promotion of industrial stability and preservation of mutually satisfactory relations between employers and workers. The scope of the powers and methods by which it will attempt to achieve these ends are presently of a limited and somewhat general nature, and probably will be broadened later by specific authorities conferred on the board; or by development by the board itself of the powers it already enjoys.

**Minimum Wage Act**

As defined in legislation passed earlier in the year and indicated in pronouncements from Premier Hepburn, one of the chief specific duties of the board will be administration of the Minimum Wage Act. Broadened to cover male as well as women workers, this act permits setting of wage levels and hours of work in various zones and industries, after conference with employers and employees or their representatives.

The board was set up, however, under an amendment to the Department of Labor Act which also added to the original act the Industrial Standards Act and the One Day's Rest in Seven Act. Thus the board will regulate also operation of the Industrial Standard, Apprenticeship, and other acts assigned to it, and exercise the conciliatory functions now performed by officers of the provincial labor department. The board is already empowered to obtain all information necessary to its work, and to conduct public enquiries at which evidence may be taken under oath.

**No Compulsion**

The conciliatory powers at present enjoyed by the labor department and presumably to be enjoyed by the new board, lack any element of compulsion. Officers of the department have to rely on their powers of persuasion to compromise differences submitted to them at request of disputants, or on acceptance of department services when offered. As far as can be learned, there is no thought at present in Ontario of legislation similar to that recently passed in Manitoba, giving the government power to outlaw strikes pending enquiry and arbitration.

The Government is nevertheless hopeful that the operations of the board will result in progress toward stable adjustment of problems in which industry is today vitally interested. These include general labor restiveness and demand for greater returns for their efforts, aggressive campaigns to unionize mass production workers by the C.I.O. and other groups, and the continuing problem of labor relations and collective bargaining in the broadest sense of those phrases.

**Relation to C.I.O.**

It has been stated that the Ontario board will endeavor to enquire into incipient labor disputes and bring about satisfactory adjustments before such disputes reach the stage of deadlock or strike.

Several weeks ago, Premier Hepburn told The Financial Post that he hoped the board would operate indirectly to bolster his adamant stand against the C.I.O. campaign among Ontario workers. But he anticipated that this would be done through success of the board in bettering labor conditions and preserving industrial harmony, thus limiting the fields in which the C.I.O. might find discontent on which to feed.

At that time and since, the premier has given no indication that the board will be utilized as a direct weapon to block unionizing of workers by the C.I.O. or any other labor body. This negative indication of the board's policy has been given an affirmative favor by the public statements made since his appointment by E. J. Young, chairman of the new board.

**Young Heads Board**

Mr. Young, M.P. for Weyburn, Sask., from 1925 to 1935 and author of the famous minority report of the Stevens Price Spreads Commission, resigned from the National Employment Commission to head the new board in Ontario. Interviewed in Ottawa by The Financial Post subsequent to his appointment, he insisted he lacked both preconceived notions and instructions from Mr. Hepburn in regard to the C.I.O. He does not regard his appointment as a definite move in Mr. Hepburn's anti-C.I.O. campaign.

"The C.I.O. is a question on which I will be better able to judge when it arises in concrete form," Mr. Young told The Post's correspondent. "So far my instructions from Premier Hepburn have been simply these: 'Do the fair thing.' I propose to carry out those instructions."

**Views on Labor**

In already published interviews, Mr. Young has also been quoted as recognizing "the right of labor to bargain collectively through their own representatives," whether they belong to unions or not. This broad and elastic policy elicited expressions of alarm and objection from trade unionists, who had earlier voiced surprise and suspicion over selection of Mr. Young for the chairmanship of the board. Regarding him as a low tariff man from a predominantly agricultural province, the organized labor spokesman feared that he would lack understanding of the problems of either industry or labor.

Some laborites see in Mr. Young's appointment and collective bargaining attitude a policy directed against C.I.O. and other international unions, and favoring so-called "company unions." They appear to forget, however, that the stated composition of the board makes provision for representatives of both labor and industrial employers, as well as for the chairman and two officers of the provincial labor department.

The labor representative appointed this week to the board, in the person of Fred Bancroft, of Toronto, has long been identified with the organized labor movement. In the past he has served as labor spokesman on nearly 100 boards of conciliation and arbitration, and this year acted as representative of Canadian railway workers on the arbitration board which studied the demand for abolition of the railwaymen's depression pay cuts.

**Independence Chief Asset**

The fact seems to be that Mr. Young was offered the chairmanship because his record, as an outstanding and independent-minded private member of Parliament, gave assurance that he would give to his new post the benefits of open mindedness. Coupled with this was a demonstrated ability to grasp both sides of a problem, and lack of any predilections or prejudices toward either industry or labor.

At the same time, he has shown in the past a keen grasp of the economics of industry and finance, and some acquaintance with the broad problems of labor. In his widely read dissenting report as a member of the Price Spreads Commission, he took the view that minimum wages were designed to protect labor from exploitation, and not meant to become standard wages. Workers should get as much beyond the legal minimum as they could fairly earn, he declared in an opinion which takes on added significance in view of the Industry and Labor Board's jurisdiction over Ontario minimum wages.

**Farmer vs. Laborer**

In observations on Canada's national problems published in The Financial Post last year, Mr. Young argued that production and exchange of goods and services involved essentially an exchange of labor. It was inequitable, he contended, if prices of primary products, cost of industrial goods, fees of professional men, etc., were so far out of line that the farmer was forced to exchange his labor on a disproportionate basis.

Mr. Young has never been an employer of labor, or owned stock in an industrial or financial concern, or served on a board of directors. Nor has he ever belonged to a labor union, though he knows what it is to work.

Now 59 years old, he was born in Winnipeg of Scottish parentage. His father died when Ed. Young was only five, and he went to work at the age of 11 as a newspaper delivery boy. He tried carpentry, school teaching and working for Mackenzie and Mann before becoming a homesteader in southern Saskatchewan. In his first year as a farmer, he "broke" 75 acres (30 miles from a railway line) with four oxen, a walking plow and a wagon.

Publicly identified with politics as a free trade Liberal since 1917, he attracted widespread attention during his terms in Parliament as a private member of independence, courage and ability. While his Parliamentary colleagues did not always agree with his views on free trade and other subjects, they grew to respect the vigorous, clear cut manner in which they were presented and the breadth of knowledge on which they were based.

# Maritime Finance Ltd. Pays Debenture Interest

Maritime Finance, Ltd., Halifax, N.S., had earnings sufficient to pay a full year's debenture interest and provide for other charges in the year ended Jan. 30, 1937. Current liabilities include provision for debenture interest due Feb. 1, 1937, of $9,400, which has been deferred.

The company has $318,400 of 6% debentures, due Aug. 1, 1941, outstanding. Assets include $283,803 for finance contracts, real estate and other securities from which is deducted reserve for carrying charges to maturities and for uncollectible accounts of $25,574, leaving a balance of $258,229 at Jan. 30, 1937.

**Income and Surplus Account Years Ended Jan. 30, 1937**

| | $ |
|---|---|
| Oper. profit | 22,874 |
| Less: Deb. interest paid | 18,807 |
| Prov. for uncol. accts. | 3,000 |
| W/o furn. & fixtures | 204 |
| Income tax | 111 |
| Net profit | 752 |
| Add: Prev. surplus | 14,087 |
| Surplus forward | 14,839 |

**Working Capital**

| | $ |
|---|---|
| Current assets | *48,399 |
| Current liabilities | 21,697 |
| Working capital | 26,702 |

*Includes securities held at cost (including shares of Scotian Gold Products Ltd. and sundry securities) realizable value not known.

# Hydro Volume Expands Again

## Primary Load Up 11.2% in April For All Systems

All systems of the Hydro-Electric Power Commission of Ontario showed an increase in primary load for April compared with the corresponding month of 1936.

Total increase in primary power load was 11.2%, or 131,321 h.p. Greatest volume of increase took place in the Niagara system where the maximum peak horsepower was 82,574 h.p. higher, or 9.1%. On a percentage basis the northern Ontario properties showed the best record of increase where 28,582 h.p. accounted for an increase of 38.7%. This reflects the steadily growing demand from the mining areas of northern Ontario. The 18% increase in the Thunder Bay system was the second largest percentage gain.

Comparative figures follow:

**Ontario Hydro April Loads**

| | Max. 20-Min. Peak H.P. | | |
|---|---|---|---|
| System: | Apr., 1937 | Apr., 1936 | Incr. % |
| **Primary Load:** | | | |
| Niagara | 986,997 | 904,423 | + 9.1 |
| Eastern Ont. | 110,194 | 101,830 | + 8.2 |
| Georgian Bay | 23,861 | 23,753 | + 0.5 |
| Thunder Bay | 81,756 | 69,263 | +18.0 |
| Northern Ont. | 99,639 | 71,857 | +38.7 |
| Total | 1,302,447 | 1,171,126 | +11.2 |
| **Primary & Secondary Loads:** | | | |
| Niagara | 1,149,598 | 1,146,380 | + 0.3 |
| Eastern Ont. | 124,631 | 108,921 | +14.4 |
| Georgian Bay | 23,861 | 23,753 | + 0.5 |
| Thunder Bay | 141,515 | 131,072 | + 8.0 |
| Northern Ont. | 186,368 | 135,932 | +37.1 |
| Total | 1,625,973 | 1,546,058 | + 5.2 |

# Fernie Brewing Profits Equal 97 Cents a Share

Net profit of Fernie Brewing Co., Fernie, B.C., for the year ended March 31, 1937, was equal to 97 cents a share on the 32,752 shares of $10 par stock outstanding. Profits for the preceding year amounted to 83 cents a share. Dividends are paid annually in May of each year and amounted to 60 cents a share in 1936 and 50 cents a share in 1935.

Fernie Brewing Co. also controls Cranbrook Brewing Co. through ownership of 6,929 common shares, costing $86,909.

**Profit and Loss Account Years Ended March 31**

| | 1937 $ | 1936 $ |
|---|---|---|
| Profit for year | 31,715 | 29,011 |
| Less: Dividends paid | 19,651 | 16,376 |
| Surplus for year | 12,064 | 12,635 |
| Add: Prev. surplus | 34,328 | 21,693 |
| Less: Inc. tax adjust. | 1,203 | ...... |
| Surplus forward | 45,189 | 34,328 |

**Working Capital**

| | 1937 $ | 1936 $ |
|---|---|---|
| Current assets | 133,976 | 97,859 |
| Current liabilities | 30,353 | 13,303 |
| Working capital | 103,623 | 84,556 |

# Peerless Corp. Earnings Higher for Fiscal Year

Peerless Corp., Cleveland, in which Canadian Breweries Ltd. has a substantial interest, reports a profit of $113,261, after depreciation, for the quarter ended March 31, 1937. This compares with a profit of $110,904 for the preceding quarter.

Before providing for Federal income and undistributed profits taxes, Peerless Corp. had a profit of $224,165 for the six months ended March 31, 1937, compared with a loss of $13,352 for the six months ended March 31, 1936. Gross sales for the six months ended March 31, 1937, were $1,693,541, an increase from $633,770 for the corresponding period a year earlier.

# I. P. Directors Endorse Capital Readjustment

## Shareholders Asked to Support Proposal For Reorganization to Eliminate Deficit—S. E. C. Suggests Other Plans May Be Submitted

From Our Own Correspondent

MONTREAL. — International Paper & Power Co.'s directors have unanimously approved the proposed plan of recapitalization which will be submitted to shareholders at the annual meeting to be held in Boston on June 23.

In a lengthy letter to shareholders, R. J. Cullen, Canadian-born president, says that the plan of reorganization has been designed to accomplish the following purposes:

(1) Remove the present capital deficit and permit resumption of dividend payments during 1937 and in this connection avoid some of the burden of the present U. S. Federal tax on undistributed profits.

(2) Reduce annual fixed dividend charges to a level which it is reasonable to believe can be covered by earnings under normal business conditions.

(3) Eliminate the preferred dividend arrears and abolish the present subdivision of the common stock into three classes.

(4) Provide the company with a capital set-up which would be suitable medium for future financing in the event that the company needs additional capital in connection with the development of its business.

**Minority Can Approve**

Stress is laid on the fact that in order to obtain approval of the plan it is only necessary to have the authorization of two thirds of each class of stock represented at the meeting and not two thirds of all the outstanding stock.

The material sent out by the president to the shareholders also incorporates the U. S. Securities and Exchange Commission report on the reorganization plan.

An analysis prepared by the S. E. C. shows that in accepting the plan the preferred shareholder will be giving up his prior claim against future earnings to the extent of the present accumulated unpaid dividends of $39.96 a share. He also accepts the reduction of $2 a share annually because of the reduction in the dividend rate from 7 to 5%. The one share of new common stock and the right to convert his share of new preferred stock into 2½ shares of common stock is given him in return for these concessions.

**Maybe Other Plans**

The Commission goes into the plan in considerable detail and after pointing out various favorable and unfavorable features, makes the general observation: "Stockholders in voting for or against this particular plan of recapitalization should have in mind the possibility of other plans being worked out for this situation in the event that this plan fails of adoption. In other words, stockholders, whether preferred or common, should not allow themselves to be argued into favoring this plan upon the grounds that this is the only plan which can be worked out. The issue they must face is rather whether, considering all the relative matter, this plan represents a fair and equitable bargain as between the different classes of stockholders."

Operations of International Paper & Power Co. for the first quarter of 1937 resulted in a net profit of over $1.7 million before deduction for possible payment of tax on undistributed profits, compared with a loss of $402,674 for the first quarter of 1936. This profit is greater than was included for the first three months in the budgeted earnings of $9 millions for 1937.

Sales and other income during the period amounted to more than $30 millions, as against $25.7 millions for the first three months of 1936. After deducting manufacturing costs and expenses, profits available for interest, depreciation, etc., totalled $4.7 millions, as against about $2.5 millions in 1936.

**Change Inventory Valuation**

Prior to 1937, inventories of the company were valued on a cost or market basis, whichever was lower. During a period of rising costs this method results in an inflation of earnings by selling goods purchased at lower price levels which must be replaced in turn at higher prices. Correspondingly there is an inflation of inventory values representing the increase in the cost of goods purchased to replace those consumed.

This policy has been changed to one of computing the cost of sales and the value of inventories on the basis that the latest materials purchased or finished products made are the first used or sold. Under the new method, of valuing inventories, the net profit of $1.7 million for the first quarter of 1937 is $620.000 less than the profit would be had the method previously in force been used.

**Consolidated Profit and Loss For Three Months Ended March 31**

| | 1937 $ | 1936 $ |
|---|---|---|
| Gross sales | 29,763,149 | 25,520,335 |
| Other income | 265,286 | 229,804 |
| | 30,048,435 | 25,750,139 |
| Less: Pulpwood, etc. | 17,900,061 | 15,822,919 |
| Maintenance | 1,683,715 | 1,718,667 |
| Taxes | 616,675 | 513,822 |
| Delivery expenses | 3,526,504 | 3,546,324 |
| Selling, gen. & admin. exp. | 1,445,591 | 1,500,057 |
| Prov. for doubt. accts. | 151,550 | 156,815 |
| Net profit | 4,724,330 | 2,491,535 |
| Less: Int. on fd. debt | 1,028,214 | 921,720 |
| Int. on other debt. | 4,054 | 233,965 |
| Debt discount | 101,112 | 85,748 |
| Depreciation | 1,023,189 | 1,174,024 |
| Depletion | 244,518 | 167,893 |
| Income taxes | 541,028 | 131,165 |
| Profits tax | ...... | ...... |
| Divds. accr. but not currently paid | 35,647 | 179,695 |
| Net profit | 1,746,577 | 402,674 |

*Loss. The 1937 figures contain no provision for dividends on the preference shares of International Power and Paper Co. of Newfoundland. Under a recent agreement with the holder of the large majority of these shares, such dividends are to be non-cumulative until 1939.

**New Output Record in 1936**

During the past year International's subsidiaries produced over 1.9 million tons of pulp and paper products—a new high record. Comparative production figures for various grades by tons are summarized below:

| | 1936 $ | 1935 $ |
|---|---|---|
| Newsprint | 755,406 | 720,629 |
| Specialty papers | 152,416 | 121,917 |
| Book and bond | 125,470 | 102,148 |
| Kraft paper & board. | 580,188 | 459,539 |
| Pulp for sale | 201,259 | 173,537 |
| Tissue and wrapping | 42,573 | 54,617 |
| Bags | 79,713 | 73,654 |
| Total | 1,937,025 | 1,706,041 |

Rumor that the company is contemplating the establishment of a newsprint mill in the Southern States is categorically denied by the management of International Paper & Power Co.

"No company affiliated with International Paper & Power Co. is considering the construction of a newsprint mill in the South. As announced last March, orders have been placed by Southern Kraft Corp. for machinery to be installed in another new kraft board mill, but final decision has not yet been reached as to the locale."

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**Riviere-du-Moulin,** Que., which is under the supervision of the Quebec Municipal Commission, has been authorized to pay interest coupons of May 1, 1937, on its outstanding bonds. Interest will also be paid from Nov. 1, 1936, to May 1, 1937, on bonds matured May 1, 1934, 1935 and 1936.

# Senator Burns' Wealth In Own Holding Co.

## Western Cattle King Left Estate Valued at $3,833,413 — Succession Duties May Reach Nearly $1 Million

From Our Own Correspondent

CALGARY. — The late Senator Patrick Burns, last of the West's great cattle kings, left an estate of $3,833,413 net value, according to the inventory filed for probate. Its succession duty value to the Province of Alberta will be between $650,000 and $1 million, according to a preliminary announcement in Edmonton as government officials began the work of checking the estate.

Senator Burns died on Feb. 24, 1937, at the age of 81 years. He was born at Oshawa, Ont., and as a penniless youth came to western Canada when he was 23 years of age. He created one of the biggest packing and provisioning businesses in the world. His life formed one of the romantic chapters of western pioneering.

**Bennett a Trustee**

Trustees of the estate are Michael John Burns, his nephew, who is president of Burns & Co. Ltd., Calgary, Rt. Hon. R. B. Bennett, and Alick Cochrane Newton, Calgary broker. For the most part the estate was held in shares of Burns Foundation Ltd., a private holding company formed in 1925, and now capitalized at $9 millions. According to the latest report of this company, 59,178 common shares and 20,000 preference shares were issued, a total of 79,178, of which 79,172 were held by Senator Burns.

For some years the packing business which Mr. Burns created has been owned and operated by Burns & Co. Ltd., of which only 5 1/20 shares common stock were owned in the estate of Senator Burns at his death. Up to the time he retained control, this business operated packing plants at Calgary, Edmonton, Vancouver, Prince Albert, Regina, Winnipeg and Seattle. He bought out or started more than 100 retail stores in Alberta and British Columbia, established 65 creameries and cheese factories, 11 wholesale provision houses, 18 wholesale fruit houses, and maintained offices in London, Liverpool and Yokohama. In 1928 he sold out this business.

**Burns Foundation**

With the formation of Burns Foundation Ltd., his wealth was gradually transferred to that company. Enterprises with which the name of Burns was associated included P. Burns Ranches Ltd., in which he retained one share of stock; P. Burns Holding Co. Ltd., two shares; P. Burns Coal Mines Ltd., 87,500 shares at 2½ cents, and Burns Agencies Ltd., one share.

Burns Foundation was organized in 1925, with authorized capital of $3 millions, in 30,000 shares. To this company Mr. Burns sold his holdings in P. Burns & Co. Ltd., the former packing business, for $2,220,250. In 1926 Burns Foundation increased its capitalization to $3,500,000, and issued a $1 million debenture to Mr. Burns. This debenture appears in the estate inventory with a valuation of $15,319.63.

**Capital Increased**

In 1927 capitalization was increased to $4 millions, and in 1929, to $9 millions, the year in which Mr. Burns exchanged $17,404,920 in securities for 38,000 common shares.

Valuations of Senator Burns' holdings of Burns Foundation stock, given in the inventory of his estate, were considerably below the par values of $100 carried by both preference and common shares. His 59,172 common shares, nominally worth $5,917,200, were valued at $1,324,608 or $22 each, and 20,000 preference shares, nominally worth $2 millions were valued at $1,333,333, or $66.66 each.

The estate included Alberta 4½% bonds to a total face value of $799,000, the value of which was inventoried as $486,870. No coupons have been cashed on these bonds since June 1, 1936, and interest thereon, computed at 50%, is listed as a book debt in the inventory of $13,655.38.

**List of Holdings**

Chief items in the portfolio of shares were holdings in Burns Foundation Ltd. Other shares listed were:

**Stocks in Burns' Estate**

| | Number | Value |
|---|---|---|
| Br.-Candn. Pictures Ltd. (extinct) | 1 | nil |
| Calgary Golf & Country Club | 6 | 180 |
| Chinook Jockey Club | 14 | nil |
| Coalmont Collieries Ltd. | 10 | nil |
| Calgary & Edmonton corp. Ltd. | 100 | 500 |
| Dominion Bridge Co. Ltd. | 1 | 55 |
| Home Oils Ltd. | 5 | 16 |
| Polo Club Ltd. | 4 | nil |
| Royal Trust Co. | 100 | 8,000 |
| United Oils Ltd. | 2,900 | 1,769 |
| Calgary Gun Club | 5 | nil |
| Calgary Indust. Exhib. Co. | 50 | nil |
| Hoof & Horn Club | 1 | nil |
| Princes Island Club | 5 | nil |
| Burns & Co. Ltd. B com. | 5 1/20 | 41 |
| Chinook Jockey Club non-sh. | 1 | nil |
| Palm Dairies Ltd. mgmt. | 1 | 1 |
| Kaslo Montezuma Mining & Milling (extinct) | 1,655 | nil |
| Bank of Montreal | 100 | 23,300 |
| Metals Ltd. | 1 | 75 |
| P. Burns Agencies Ltd. | 1 | nil |
| P. Burns Coal Mines Ltd. (at 2½c.) | 87,500 | 2,187 |
| Calgary & South Western Railway Co. | 2 | nil |
| South Western Construction Co. Ltd. | 1 | nil |
| P. Burns Holding Co. Ltd. | 2 | 40 |
| P. Burns Ranches Ltd. | 1 | nil |
| Burns Foundation (Ltd.) debenture | | 15,319 |

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THE DERBY
Epsom, June 2
HENLEY REGATTA
June 30 to July 3
BAYREUTH MUSIC FESTIVALS
July 22 to August 20
DUBLIN HORSE SHOW
August 3 to 7

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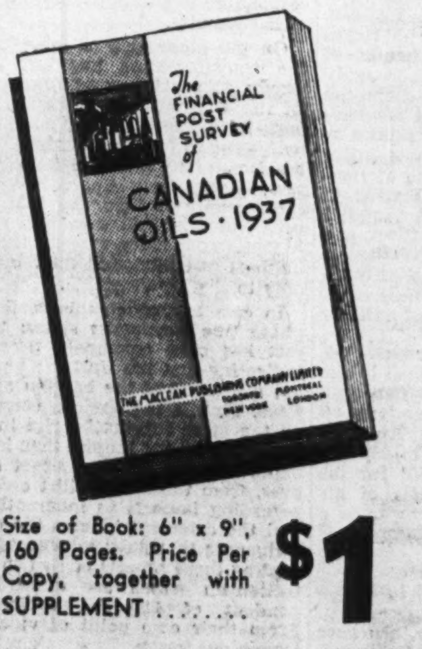

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THE MACLEAN PUBLISHING COMPANY LIMITED TORONTO MONTREAL NEW YORK LONDON

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**Banking**

# Will Revamp Post Office Savings Bank

## Postmaster-General Suggests Changes to Speed Up Withdrawals

### DEPOSITS DWINDLE

Considerable interest attaches to the announcement by Hon. J. C. Elliott, postmaster-general, that regulations governing post office savings accounts have been revised to make this form of banking more popular and to increase revenue.

As yet no details as to the measures taken have been forthcoming, and district postal officials advise that no instructions have been received. Mr. Elliott suggested, however, in an address at Hamilton last week, that withdrawal provisions would be made less burdensome.

The Post Office Savings Bank accepts deposits in amounts of "one dollar, or any number of dollars" up to a maximum of $1,500 in any one year. There is a further limitation that no account shall at any time exceed $5,000, exclusive of interest.

**Withdrawals Involved**

Withdrawal provisions are more involved. Here, again, transactions must be in even dollars. Up to $50, withdrawals are paid on demand. Over that amount, however, red tape clutters up the picture. When a depositor wishes to withdraw $51 he must make application to the postmaster-general at Ottawa. The postmaster-general, or his assistants, approves the application, makes a cheque for that amount payable to the depositor, and returns it to the postmaster in the centre where the would-be withdrawer lives. From the local postmaster the depositor finally receives his cheque. This roundabout method takes about three days when the depositor lives near Ottawa. It may take 10 or more if he lives in the West.

**Deposits Dwindling**

These withdrawal delays are at least partly responsible for the dwindling business of the bank. Withdrawals have exceeded new deposits in almost every year of the last 30. At the end of last February, deposits aggregated $21.5 millions, lower than in any year since the early days of the bank's history.

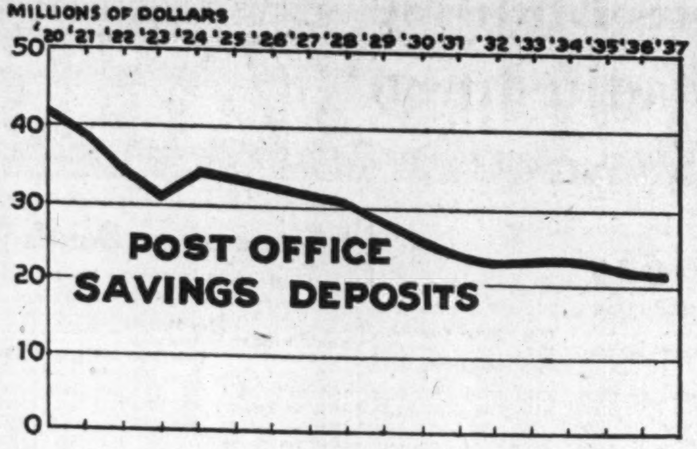
The proportion of its deposits to those of all banking institutions back in the 1880's was over 31%. Now it is less than 1% of the public deposits of the chartered banks; and this figure does not take into consideration the deposits of trust and loan companies and of provincial savings banks, both of which have afforded very strong competition.

**Opened in 1867**

The Dominion first entered the banking business in the year of Confederation when the Post Office Bank was organized. Deposits held by this bank, and by the Government Bank which it took over later, increased with only minor interruptions until they reached a peak of $62.6 millions in 1908. Since that time deposits have been declining steadily. The year 1924 was an important exception, deposits advancing $2.4 millions. This is attributed to lack of confidence in private banking enterprise following the Home Bank failure in 1923. It is of interest that the decline in deposits was less pronounced in recent years.

No specific action has been taken by the Federal authorities to reverse the trend of deposits. The impression was created that they were letting the project die a natural, but very gradual, death. Handbills in post offices have been the only form of advertising. A great many younger Canadians do not realize that the institution exists.

Currently, the bank pays 2% interest on deposits. The rate is limited by statute to 4%, but this was paid only from 1868 to 1889. It was cut to 3½% in the latter year, and further to 3% in 1897. There was no further change until May, 1933, when the rate was reduced to 2½%. The present rate was begun in Nov., 1934.



### DECLINE IN DEPOSITS

Since a peak of more than $62 millions was reached in 1908, deposits of the Post Office Savings Bank have been declining steadily, although in recent years the movement has not been as pronounced. The explanation is generally considered to lie largely in rather involved withdrawal provisions, and in lack of publicity. Hon. J. C. Elliott, postmaster-general, indicated at Hamilton last week that measures would be taken to make the bank more popular. In the chart above are shown the deposit totals at the end of March for each year from 1920 to 1936. The latest available figure for 1937 is at the end of February.

## Bank of Canada Weekly Statement

**Balance Sheet**

| | May 12 1937 $ | May 7 1937 $ |
|---|---|---|
| **Liabilities** | | |
| Capital paid-up | 10,100,000 | 10,100,000 |
| Notes in circ. | 130,989,101 | 130,886,778 |
| Rest fund | 743,716 | 743,716 |
| Dep.: Dominion | 21,795,111 | 22,040,909 |
| Banks | 194,179,766 | 197,023,063 |
| Other | 785,808 | 1,019,053 |
| Total deposits | 216,760,685 | 220,083,026 |
| All other liabs. | 1,943,526 | 2,472,126 |
| Total liabs. | 360,537,028 | 364,285,646 |
| **Assets** | | |
| Reserve: Gold | 188,576,444 | 189,182,511 |
| Silver bullion | 2,431,901 | 2,400,807 |
| Res. in sterling and U. S. | 13,498,911 | 13,388,004 |
| Total reserve | 204,507,256 | 204,971,322 |
| Subsidiary coin | 317,839 | 284,304 |
| Investments: | | |
| Dom. govt. short | 48,179,583 | 48,199,895 |
| Other Dom. govt. | 101,499,026 | 101,508,356 |
| Total invest. | 149,678,609 | 149,708,251 |
| Premises | 454,176 | 454,176 |
| All other assets | 5,579,148 | 8,867,593 |
| Total assets | 360,537,028 | 364,285,646 |
| Reserve ratio | 58.80% | 58.40% |

## Bank Chat

### Banks and Inflation

Are bankers affected by inflation?

One answer was given last week by E. W. Kemmerer, professor of international finance at Princeton University. A banker, he pointed out is both creditor and debtor on a large scale. His business is pre-eminently swapping his own non-interest bearing debt for the other fellow's interest bearing debt.

Such is the case, when a demand deposit is applied in a loan or in buying securities. With savings deposits, of course, it is a matter of exchanging a low-interest bearing deposit for a higher interest bearing promissory note or bond.

From this some may conclude that bankers are not immediately affected by inflation. If the dollar depreciates and bank debtors pay back their debts in a cheap dollar, the banker simply turns around and pays the same cheap dollar to his creditors—the depositors. One hand washes the other.

* * *

### Shareholders Hit

There is a very important exception to this rule, however, as the professor points out. Shareholders are in a sense creditors of the bank. Any losses in terms of dollars fall on them. When the dollar they have invested depreciates in value there is no compensatory factor. Even if the bank maintains the dollar value of its capital funds, the shareholders lose because the purchasing power of the dollar declines.

Still another point which should be kept in mind is that as the dollar depreciates in value, the interest rate advances, and the value of a bank's long-term investments declines correspondingly.

* * *

### Coining Money

Coin counterfeiters in France have had a field day in recent months. So much so that Paris authorities have installed testing devices in various public places.

Some of the bogus 5, 10 and 20-franc pieces are said to be perfect likenesses of the real thing. Deception can only be revealed by weight or by "ring"—the sound given off when a coin is dropped. As a result, two machines have been introduced to the Parisians. One is an electrical contrivance which vibrates true coins but when a fake is submitted fails to budge. The other is simply a scale, adjusted to exact weight of "legitimate" coins.

It is expected that the machines will, to some extent, eliminate coin banging, which has become one of the most popular French sports. Reports have it that the counterfeit cash has reached such proportions that few will accept one of the larger coins in change without banging it to hear if it rings true. A number of stores have gone so far as to nail special metal slabs on their counters as an aid to wary customers.

* * *

### Treasury Bills

One is apt to regard treasury bills as always having been an integral part of the monetary scheme of things. Actually their development is comparatively recent. This year marks the diamond anniversary of their first appearance.

According to an article appearing in "Banking," credit for the treasury bill goes to an Englishman, Walter Bagehot, who was editor of the London "Economist" back in 1877. The then chancellor of the exchequer, Sir Stafford Northcote, was faced with the perplexing problem of making ends meet despite additional outlays for education and sanitation. He did not wish to increase the permanent debt of the country, nor did he feel that a further issue of exchequer bills as a floating debt debt security would meet the desired resonse.

In his dilemma, he sought outside advice, uninfluenced by officialism. His consultant was Mr. Bagehot, whose advice was:

"The English Treasury has the finest credit in the world, and it must learn to use it to the best advantage. A security resembling as nearly as possible a commercial bill of exchange, that is, a bill issued under discount and falling due at certain intervals, would probably be received with favor by the money market, and would command good terms."

This advice was acted upon and the new security was christened—Treasury Bill.

# Delayed Action On Court Plan

## Construction of Supreme Court Building Unlikely Until 1938

**From Our Own Correspondent**

OTTAWA.—The new building for Canada's Supreme Court, on which an early call for tenders has been expected will not be undertaken during the current year, The Financial Post learns.

The difficulty is largely the matter of a site. The original intention was to locate it on the point of a high cliff which juts out into the Ottawa River. The location was a commanding one, somewhat to the east of the recently completed department of justice building.

Later plans however, called for the erection of a bureau of statistics building, which is to be one of the largest in Ottawa, immediately east of the justice department building and in front of the site selected for the supreme court structure. As it is the intention of the Government to make the supreme court the architectural gem of all the Federal buildings, the ministry feels that it would be a mistake to place it behind any other structure.

Total cost of the building, when it is completed, will be between $1.5 million and $2 millions. Decision on the site will not be taken until after Prime Minister Mackenzie King's return from the Imperial Conference, however. Government officials estimate that another six months will be required to get out the plans. Thus there is said to be no prospect whatever of a start on construction until some time next spring.

# Old Policyholders Buy Insurance

Present policyholders provide the best possible prospects for new insurance, it is stated in the monthly bulletin of the North American Life Assurance Co.

In the first quarter of 1937, more than a third of the new business written by the company was in this group. Comparative figures indicate that in the full year 1936, the proportion of new business writen on old policyholders was 28.7%, almost unchanged from the previous year.

# Canadian Sculptor Shares Honors With Two Britons For Dominion's New Coins

## Smaller Denominations of New Issue Make Their Appearance

Twenty-four hours after George VI was crowned in London, four of Canada's new coins made their initial appearance. A day later they were put into general circulation in the larger centres, although they are yet very rare.

The dies of the other two coins, the silver dollar and the 50-cent piece, have been delayed, but these are expected to make their bow very shortly. In any event, a good idea of what they will look like can be gained from the coins now circulating. The obverse side, that bearing the King's head, will be the same as on the less valuable coins. The reverse side of the dollar will be the same as on the jubilee dollar, a canoe manned by an Indian paddler and a voyageur, with wind blown fir trees on an islet in the background and northern lights in the sky. The half dollar will carry the Canadian coat of arms.

The coins which have appeared are more distinctive than those to which Canadians have become accustomed, all bear the uncrowned likeness of the new King on the obverse side. On the reverse, the quarter shows a caribou, the 10-cent piece a fishing schooner, the five-centers a beaver and the coppers a twig of maple.

The new quarters and 10-cent pieces are milled and rolled. There is a slight bevel on the edges. The smaller coins are not milled, and the edges are straight.

Another interesting point is that at first glance the quarter, in particular, appears to be smaller than the old coins. This is an optical illusion. They are the same size.

**Sculptors' Initials**

Those who examine the coins closely will observe that on either side are minute letters. These are the initials of the sculptors whose design appears on the coin. Three different sets of initials appear. On the obverse side of all the coins is HP. This is for Henry Paget, a London, England, sculptor.

"KG," which makes its appearance on the one-cent and five-cent pieces, stands for Kruger Gray. Mr. Gray, also an Englishman, has designed quite a number of coins in the Old Country. It is understood that he is also the designer of the new Canadian half dollars.

Designer of the jubilee silver dollar, Emmanuel Hahn, a well-known Toronto sculptor, has modeled the caribou and schooner which are depicted on the quarter and 10-cent piece. His work bears the single initial "H."

For the first time in the history of Canadian coinage successive crowned rulers face in the same direction. General procedure is to alternate. Queen Victoria, for instance, faced the left. Edward the Peacemaker looked to the right. George V faced left. George VI also faces left.

The explanation, of course, is that allowance has been made for Edward VIII although he was not crowned.

EMMANUEL HAHN

## Atlantic Sugar Boosts Wages in All Departments

**From Our Own Correspondent**

MONTREAL.—Atlantic Sugar Refineries Ltd., has put into effect a general increase in wages, applying to all departments. No statement has been issued as to the exact changes in the wage schedule but, according to A. F. Blake, manager, they varied slightly in several departments.

## Weekly Bank Clearings

| | May 13 1937 $ | Change Year Ago % | May 6 1937 $ |
|---|---|---|---|
| Halifax | 2,032,403 | —2.2 | 2,927,322 |
| Saint John | 1,781,737 | +7.3 | 2,986,333 |
| Moncton | 710,485 | +3.1 | 938,812 |
| Sherbrooke | 714,919 | +15.1 | 744,038 |
| Quebec | 5,242,265 | +26.3 | 6,377,515 |
| Montreal | 90,355,203 | +8.4 | 140,421,443 |
| Ottawa | 47,995,499 | +77.6 | 61,395,435 |
| Kingston | 436,490 | —13.8 | 708,789 |
| Peterborough | 522,376 | —12.3 | 668,419 |
| Toronto | 104,586,624 | —10.6 | 146,256,159 |
| Hamilton | 4,685,949 | +14.2 | 6,485,056 |
| Kitchener | 1,126,230 | +5.4 | 1,367,770 |
| Brantford | 974,519 | +20.8 | 1,260,460 |
| London | 2,239,128 | —8.0 | 3,374,220 |
| Chatham | 494,145 | +15.1 | 567,080 |
| Windsor | 2,493,805 | —6.1 | 3,242,225 |
| Sarnia | 406,123 | —14.6 | 519,025 |
| Sudbury | 877,783 | —7.8 | 1,032,567 |
| Fort William | 578,367 | —26.1 | 868,084 |
| Winnipeg | 35,913,294 | —40.3 | 44,765,769 |
| Brandon | 207,407 | —21.3 | 335,900 |
| Regina | 3,681,506 | —17.3 | 4,995,426 |
| Moose Jaw | 531,368 | +10.2 | 806,617 |
| Saskatoon | 1,242,189 | —6.4 | 1,780,388 |
| Prince Albert | 294,840 | —10.7 | 421,633 |
| Edmonton | 3,412,127 | —14.4 | 4,693,405 |
| Calgary | 5,401,583 | —19.0 | 6,205,665 |
| Medicine Hat | 181,356 | —20.7 | 273,803 |
| Lethbridge | 393,638 | —12.5 | 442,392 |
| N. W'minster | 605,370 | +3.3 | 706,584 |
| Vancouver | 14,785,466 | —8.4 | 19,836,507 |
| Victoria | 1,482,153 | —5.3 | 2,002,562 |

## Staff Changes

**The Bank of Nova Scotia** has made the following appointments:

W. T. THOMPSON to be manager at Liverpool, N.S.

J. K. WOOD to be manager at Spiritwood, Sask.

## Foreign Exchange

**FOREIGN EXCHANGE AT TORONTO AND MONTREAL**

| Par | May 10 | May 11 | May 13 | May 14 | May 15 |
|---|---|---|---|---|---|
| U. S. Dollar, High | .99 21/32 | .99 21/32 | .99 21/32 | .99 21/32 | .99⅞ |
| Low | .99¾ | .99¾ | .99 23/32 | .99 25/32 | .99 13/16 |
| 1936 High | 1.00 1/32 | 1.00 1/32 | 1.00 1/32 | 1.00 1/16 | 1.00 1/16 |
| Low | 1.00 | 1.00 1/32 | 1.00 1/16 | 1.00 1/16 | 1.00 1/16 |
| U. K. pound | 4.92¾ | 4.93⅛ | 4.93 | 4.93¼ | 4.93½ |
| Australia | 3.94⅜ | 3.94⅝ | 3.94½ | 3.94¾ | 3.95 |
| Austria | .1870⅞ | .1870⅞ | .1870⅞ | .1873 | .1872 |
| Belgium | .1684¾ | .1683⅞ | .1681⅞ | .1683 | .1683½ |
| Brazil | .0647 | .0646 | .0650 | .0648 | .0646 |
| Czechoslovakia | .0348⅜ | .0348¼ | .0348⅛ | .0348 | .0348 |
| Denmark | .2201¼ | .2202¼ | .2202¼ | .2204 | .2205 |
| France | .0447¼ | .0447⅝ | .0447½ | .0447¾ | .0447¼ |
| Germany | .4012¾ | .4010¼ | .4003¼ | .4011 | .4010 |
| Greece | .0090 | .0090 | .0090 | .0090¾ | .0090¾ |
| Holland | .5479 | .5487 | .5482½ | .5486 | .5485 |
| Hungary | 1.971⅝ | .1971⅝ | .1970⅝ | .1973 | .1972 |
| India | .3723⅞ | .3727⅞ | .3728⅞ | .3729 | .3730 |
| Italy | .0525 | .0525 | .0525 | .0526 | .0526¼ |
| Japan | .2872¾ | .2873¾ | .2874⅝ | .2877 | .2877 |
| Jugoslavia | .0233½ | .0233½ | .0232½ | .0233 | .0233 |
| New Zealand | 3.97⅜ | 3.97⅝ | 3.97½ | 3.98 | 3.98½ |
| Norway | .2477 | .2479 | .2478½ | .2480 | .2481½ |
| Poland | .1893 | .1894 | .1894 | .... | .... |
| South Africa | 4.91¾ | 4.92⅛ | 4.92 | 4.92¼ | 4.92½ |
| Sweden | .2542 | .2543½ | .2543½ | .2544 | .2546 |
| Switzerland | .2284 | .2286 | .2285½ | .2284 | .2284½ |
| Hong Kong | .3061¼ | .3063¼ | .3063¼ | .3070 | .3065 |

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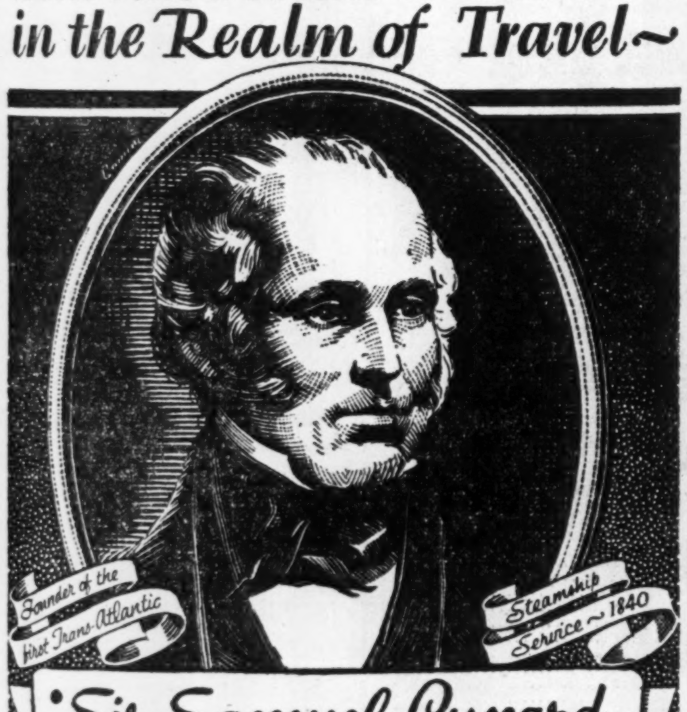

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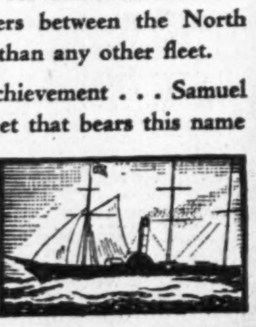

S.S. "Britannia" 1840

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| | |
|---|---|
| Paid-up Capital | £8,780,000 |
| Reserve Fund | 6,150,000 |
| Reserve Liability of Proprietors | 8,780,000 |
| | £23,710,000 |
| Aggregate Assets 30th Sept., 1936 | £115,150,000 |

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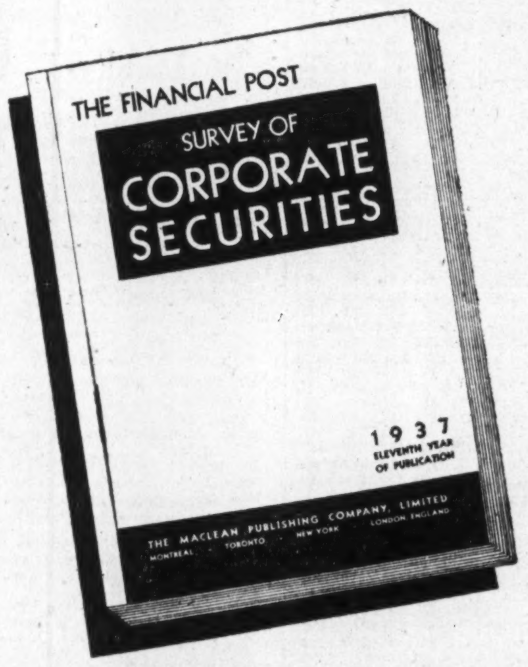
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# STOCK AND BOND MARKET QUOTATIONS

## Montreal, Toronto, Curb

The following table is confined to official prices for listed stocks. Where no recent transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING MAY 17

| Range 1937 High | Low | Div Rate $ | May 15 Y'ld % | | Sales | Last May 8 | Week end. May 17 H | L | Cl'se |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **A** | | | | | |
| 15½ | 5⅞ | . | ... | Abitibi | 74895 | 9⅞ | 9½ | 5⅞ | 6½ |
| 80 | 41½ | . | ... | Do. pref. 6% | 8227 | 67 | 66 | 60 | 61½ |
| 97 | 60 | . | ... | Do. pref. 7% | .... | (— bid 85 asked) | | | |
| 79½ | 41 | . | ... | Do. cert. dep. | .... | (60 bid 64 asked) | | | |
| 6⅞ | 4½ | 10c | ... | Acadia Sugar | .... | (— bid 4½ asked) | | | |
| 18½ | 9½ | 50c | 5.3 | Acme Glove | .... | (9½ bid — asked) | | | |
| 94 | 75 | 6.50 | 8.7 | Do. pref. | .... | (— bid 85 asked) | | | |
| 12 | 8½ | 40c | 4.1 | Agnew Surp. | 130 | 10 | 9⅞ | 9⅞ | 9⅞ |
| 110 | 105 | 7 | 6.7 | Do. pref. | .... | (105 bid 108 asked) | | | |
| 7 | 4½ | . | ... | Alta. Pac. Gr. | 100 | 5½ | 5½ | 5½ | 5½ |
| 43½ | 28 | . | ... | Do. pref. | 275 | 33 | 33 | 31½ | 31½ |
| 135 | 116 | . | ... | Aluminum | .... | (100 bid 103 asked) | | | |
| 130 | 130 | 6+3.75▲ | ... | Do. 6% pref. | .... | (130 Mar. 19) | | | |
| 7 | 5 | . | ... | Amal. Electric | .... | (— bid 6 asked) | | | |
| 31 | 26 | . | ... | Do. pref. | .... | (— bid 26 asked) | | | |
| 35⅞ | 29⅞ | 15c | ... | Amer. Cyn. B. | .... | (— bid 40 asked) | | | |
| 122½ | 80 | . | ... | Asbestos | 1358 | 98 | 96 | 90 | 90 |
| 3.20 | 2.00 | . | ... | Do. Rights | 5014 | 2.00 | 2.85 | 2.25 | 2.30 |
| 16 | 11 | 80c | 5.5 | Assoc. Brew. | 155 | 14 | 14½ | 14 | 14½ |
| 110½ | 106 | 7 | 6.4 | Do. pref. | .... | (109⅞ bid — asked) | | | |
| 6½ | 6½ | . | ... | Assoc. T. & T.A. | .... | (— bid 8 asked) | | | |
| 57 | 51 | 42c | ... | Do. pref. | .... | (— bid 51 asked) | | | |
| 102½ | 100 | 5.50 | 5.5 | Ault & Wiborg pf. | .... | (— bid 102½ asked) | | | |
| | | | | **B** | | | | | |
| 60 | 57 | 2.25 | 3.8 | Bank of Canada | 110 | 58 | 59 | 57 | 59 |
| 160 | 143 | 8 | 5 | Bk. Can. Nat. | 150 | 160 | 159½ | 159 | 159 |
| 245 | 219 | 8 | 3.4 | Bk. Montreal | 200 | 232 | 235 | 232 | 235 |
| 340 | 305 | 12 | 3.7 | Bk. N. Scotia | 31 | 323 | 325 | 321 | 325 |
| 273 | 246 | 10 | 3.8 | Bk. Toronto | .... | (258 bid 270 asked) | | | |
| 8 | 6 | . | ... | Barcelona | .... | (5 bid 12 asked) | | | |
| 13½ | 10½ | 8c | ... | Barkers Bread | 165 | 11½ | 13½ | 12 | 13 |
| 48 | 48 | . | ... | Do. pref. | .... | (— bid 48 asked) | | | |
| 24⅞ | 17 | . | ... | Bathurst Pr. | 3485 | 19½ | 19 | 17 | 17½ |
| 12½ | 6⅞ | . | ... | Do. (B) | 424 | 9½ | 10 | 8⅞ | 9 |
| 5⅞ | 3 | . | ... | Bawlf Grain | .... | (3 bid 3½ asked) | | | |
| 38 | 25 | . | ... | Do. pref. | 31 | 33 | 31 | 31 | 31 |
| 10 | 4⅞ | . | ... | Beath & Sons | .... | (4½ bid 6 asked) | | | |
| 21½ | 14½ | . | ... | Beatty Bros. A. | 5 | 17 | 16 | 16 | 16 |
| 112 | 100 | 6 | 5.4 | Do. pref. | .... | 105½ bid 112 asked | | | |
| 105 | 102 | 7 | ... | Do. 2nd pref. | .... | 102½ bid 105 asked | | | |
| 10 | 6½ | . | ... | Beauharnois | 1940 | 7 | 7½ | 6⅞ | 7 |
| 107 | 100 | 4 | 4 | Belding Cort. | .... | (— bid 107 asked) | | | |
| 130 | 126 | 7 | 5.4 | Do. pref. | .... | (130 bid — asked) | | | |
| 178 | 154 | 6 | 3.8 | Bell Telephone | 545 | 157½ | 160 | 157½ | 158½ |
| 16½ | 11⅞ | 2+50c | ... | Biltmore Hats | .... | (10½ bid 12 asked) | | | |
| 110 | 109½ | 7 | 6.4 | Do. pref. | .... | (110 bid — asked) | | | |
| 13 | 8½ | . | ... | Bissell, T. E. | .... | (7 bid 15 asked) | | | |
| 65 | 45 | . | ... | Do. pref. | .... | (60 bid 69 asked) | | | |
| 6⅞ | 4 | . | ... | Blue Ribbon | 5 | 4½ | 4 | 4 | 4 |
| 40 | 35 | 2 | ... | Do. pref. | 19 | 38 | 38 | 38 | 38 |
| 29⅞ | 24⅞ | 65c | ... | Brant. Cord. pf. | 5 | 24⅞ | 24⅞ | 24⅞ | 24⅞ |
| 30½ | 18 | 90c | ... | Brazilian Tr. | 24216 | 23½ | 22⅞ | 21½ | 22 |
| 9½ | 6 | 1.40+10c | ... | Brew. & Distil | 87 | 7½ | 8 | 7⅞ | 7⅞ |
| 6½ | 5 | 30c | ... | Bright, T. G. | 5 | 6½ | 6½ | 6½ | 6½ |
| †82 | 75½ | 6 | ... | Do. pref. | .... | (74 bid — asked) | | | |
| 26½ | 21⅞ | 1+20c | 5.2 | Brit. Amer. Oil | 8475 | 23 | 23⅞ | 22½ | 23 |
| 22 | 16 | . | ... | B. C. Packers | 174 | 20 | 19⅞ | 18 | 18 |
| 39½ | 35 | 1.80 | 4.9 | B. C. Power A | 621 | 36 | 37 | 36½ | 36⅞ |
| 11½ | 7½ | . | ... | Do. (B) | 120 | 8 | 8 | 8 | 8 |
| 12 | 6⅞ | 40c | 5.7 | Bruck S. Mills | 160 | 7½ | 7 | 7 | 7 |
| 74½ | 56½ | 1.40+50c | ... | Building Prod. | 450 | 62 | 63 | 60 | 60 |
| 18 | 15 | . | ... | Burlington Steel | 270 | 15½ | 16 | 15 | 15 |
| 8 | 5 | . | ... | Burry Biscuit | .... | (— bid 7 asked) | | | |
| 60 | 50 | 3 | 6 | Do. pref. | .... | (— bid 50 asked) | | | |
| 44½ | 39½ | 2 | 4.9 | Burt, F. N. | 305 | 40 | 41 | 40 | 41 |
| | | | | **C** | | | | | |
| 105 | 100 | . | ... | Calgary Power | .... | (100 Apr. 18) | | | |
| 92 | 79 | 6 | 6.7 | Do. pref. | .... | (89 bid — asked) | | | |
| 10½ | 7 | . | ... | Canada Bread | 50 | 7½ | 7½ | 7½ | 7½ |
| 103½ | 99½ | 5 | 5 | Do. pref. | 7 | 100 | 100 | 100 | 100 |
| 59½ | 51½ | . | ... | Do. pref. B | .... | (— bid 56 asked) | | | |
| 10½ | 8½ | . | ... | Canada Bud | 305 | 8½ | 8⅞ | 8½ | 8⅞ |
| 23 | 15½ | . | ... | Canada Cement | 2856 | 16⅞ | 17 | 15½ | 16 |
| 111 | 100 | 2 | ... | Do. pref. | 495 | 104 | 104 | 102 | 103 |
| 73½ | 60 | 1.50+2 | ... | C. & D. Sugar | 190 | 66½ | 66 | 65 | 65 |
| b38½ | 25½ | . | ... | Canada Dry | 11700 | 27⅞ | 27⅞ | 25½ | 26½ |
| 20⅞ | 16 | . | ... | Can. Forg. (A) | 125 | 18 | 17½ | 17 | 17 |
| 18 | 14 | . | ... | Do. (B) | .... | (16½ bid 18 asked) | | | |
| 31 | 30 | . | ... | Can. Iron | .... | (34 bid — asked) | | | |
| 72 | 66½ | 5 | 7.2 | Do. pref. | .... | (74 bid — asked) | | | |
| 39 | 34 | 1.50+50 | 5 | Can. Malting | 230 | 38 | 38 | 37½ | 37½ |
| 29½ | 20 | 1.20 | 6 | Can. Nor. Pr. | 277 | 21⅞ | 22 | 20 | 20 |
| 112 | 109 | 7 | 6.4 | Do. pref. | 31 | 109½ | 110 | 109 | 109⅞ |
| 98 | 84 | 3 | 3.5 | Can. Packers | 180 | 88 | 88 | 86 | 86 |
| †118 | 105 | . | ... | Can. Paper, pf. | .... | (112½ bid — asked) | | | |
| 7 | 1⅞ | . | ... | Can. Paving, pf. | .... | (2½ bid 2⅞ asked) | | | |
| 156 | 146 | 8 | 5.2 | Can. Perman. | 12 | 151 | 155½ | 153½ | 153½ |
| 25 | 25 | . | ... | Can. Starch | .... | (26 bid — asked) | | | |
| 105 | 105 | 7 | 6.7 | Do. pref. | .... | (105 bid — asked) | | | |
| 4 | 2½ | . | ... | Can. Steamsh's | 150 | 3 | 3 | 2½ | 2½ |
| 7 | 5 | . | ... | Do. new | 35 | 6 | 5⅞ | 5 | 5 |
| 10 | 6 | . | ... | Do. pref. | 185 | 7 | 7 | 6⅞ | 7 |
| 18½ | 14½ | . | ... | Do. pref. new | 150 | 16 | 15⅞ | 15½ | 15½ |
| 21 | 18½ | 1.20 | 6.3 | Can. Vinegars | 15 | 19 | 19 | 18½ | 18½ |
| 75 | 50 | . | ... | Can. W. Cable | 25 | 58 | 55 | 50 | 50 |
| 31 | 19 | . | ... | Do. (B) | 5 | 25 | 25 | 25 | 25 |
| 118 | 114 | 2▲ | ... | Do. pref. | .... | (— bid 121 asked) | | | |
| 6½ | 4 | . | ... | Can. Bakeries | 5 | 4 | 6½ | 6½ | 6½ |
| 73 | 58 | . | ... | Do. pref. | 20 | 60 | 58 | 58 | 58 |
| 211 | 183 | 8 | 4 | Can. Bk. Com. | 115 | 195 | 198 | 195 | 197 |
| 4 | 2⅞ | . | ... | Can. Breweries | 1774 | 3½ | 3⅞ | 3 | 3½ |
| 20⅞ | 14½ | 1.50 | ... | Do. pref. | 1670 | 19⅞ | 19⅞ | 18⅞ | 18⅞ |
| 61½ | 46⅞ | 1.50+75c | ... | Can. Bronze | 85 | 48 | 47½ | 46⅞ | 47 |
| 110 | 105½ | 5 | 4.6 | Do. pref. | 85 | 107 | 109 | 108 | 109 |
| 9½ | 7½ | . | ... | Can. Canners | 415 | 9 | 9 | 8⅞ | 9 |
| 20½ | 18½ | 25c | ... | Do. 1st pfd. | 100 | 20 | 20 | 19 | 19 |
| 12½ | 10 | . | ... | Do. 2nd pfd. | 2856 | 12½ | 12½ | 11½ | 12 |
| 21⅞ | 13½ | . | ... | Can. Car. & F'y | 3935 | 16⅞ | 17 | 14⅞ | 15 |
| 32 | 23 | . | ... | Do. pref. | 1115 | 28 | 26 | 24½ | 24½ |
| 31 | 24 | 1.60 | 6.1 | Can. Celanese | 448 | 27 | 27 | 26 | 26 |
| 128 | 121 | 7 | 5.8 | Do. pref. | 135 | 121 | 121½ | 121 | 121½ |
| 22 | 21 | . | ... | Do. rights | 25 | 22 | 22 | 22 | 22 |
| 32 | 28 | 2 | 6.9 | Can. Convert. | .... | (— bid 29½ asked) | | | |
| 80 | 65½ | 4 | 5 | Can. Cottons | 230 | 80 | 80 | 80 | 80 |
| 108 | 105 | 6 | 5.7 | Do. pref. | 15 | 105 | 105½ | 105 | 105 |
| 47 | 38 | 2+1 | 7.8 | Can. Dredge | 215 | 39½ | 40 | 38 | 40 |
| 101 | 101 | 6 | 5.9 | Can. Fairb. p. | .... | (101 bid — asked) | | | |
| 33 | 23 | 1.60+40c | ... | Can. For. Inv. | 175 | 26 | 26½ | 24½ | 24½ |
| 107 | 105 | 8 | 7.5 | Do. pref. | .... | (103 bid — asked) | | | |
| 240 | 207 | 6 | 2.9 | Can. Gen. Elec. | .... | (203½ bid 215 asked) | | | |
| 12 | 9⅞ | 50c | ... | Can. G. Inv. | .... | (9⅞ bid 11 asked) | | | |
| 81½ | 71 | . | ... | Can. Hyd. E. p. | 965 | 76 | 79 | 76 | 76 |
| 8½ | 4⅞ | . | ... | Can. Ind. Alc. | 4635 | 5⅞ | 5⅞ | 5 | 5⅞ |
| 7⅞ | 4½ | . | ... | Do. (B) | 825 | 4½ | 4⅞ | 4½ | 4½ |
| 249 | 235 | 3.50 | ... | Can. Indust. B. | 10 | 236 | 235 | 235 | 235 |
| 160 | 153 | 7 | ... | Do. pref. | .... | (160 Apr. 30) | | | |
| 5 | 2½ | . | ... | Can. Int. I. Tr. | .... | (2½ bid — asked) | | | |
| 99 | 92 | 3.75 | ... | Do. pref. | .... | (— bid 99 asked) | | | |
| 21 | 19 | 1 | 5 | Can. Lt. & Pr. | .... | (— bid 20 asked) | | | |
| 23½ | 14 | . | ... | Can. Locomo. | 75 | 15 | 14½ | 14 | 14½ |
| 3⅞ | 1½ | . | ... | Can. Marconi | 2480 | 1⅞ | 2 | 1½ | 1⅞ |
| 19 | 11 | 50c | 4.5 | Can. Oil | 175 | 11 | 11½ | 11 | 11 |
| 135 | 115 | 8 | 6.8 | Do. pref. | 10 | 119 | 118 | 118 | 118 |
| 17½ | 12 | . | ... | Can. Pacific | 7223 | 13⅞ | 13½ | 12⅞ | 12½ |
| 7½ | 3 | . | ... | C. Pr. & Pa. In. | 5 | 3½ | 3 | 3 | 3 |
| 27½ | 18 | . | ... | Do. pref. | 180 | 19½ | 19 | 18½ | 19 |
| 16 | 8 | . | ... | Can. Vickers | 755 | 10 | 9 | 8 | 8 |
| 65 | 41 | . | ... | Do. pref. | .... | (— bid 44 asked) | | | |
| 25 | 25 | . | ... | C. Wallpaper A. | .... | (— bid 25 asked) | | | |
| 27½ | 24 | . | ... | Do. (B) | 10 | 25½ | 24 | 24 | 24 |
| †80½ | 64 | 2 | ... | Can. West'ho'se | .... | (63½ bid — asked) | | | |
| 4 | 1⅞ | . | ... | Can. Wineries | 50 | 2½ | 2 | 2 | 2 |
| 25 | 22 | 1.50 | ... | Can. Wire Box | .... | (22½ bid 23 asked) | | | |
| 9½ | 7½ | . | ... | Capital Estates | 18 | 8 | 8 | 7⅞ | 7⅞ |
| 107 | 102 | 5 | 4.9 | Carnation, pfd. | 15 | 102 | 102½ | 102 | 102 |
| 11½ | 6⅞ | 25c | ... | Catelli Food | 20 | 9½ | 8 | 8 | 8 |
| 11½ | 10 | 38c | ... | Do. pref. | 86 | 11 | 11 | 10½ | 10½ |
| 3 | 1½ | . | ... | Celtic Knit | .... | (1⅞ bid — asked) | | | |
| †165 | 150 | 8 | ... | Cent. Can. L'n. | .... | 160½ bid 190 asked | | | |
| 1.44 | .75 | . | ... | Chem. Research | 2415 | .90 | .90 | .80 | .80 |
| 2.50 | .75 | . | ... | City Gas & El. | 350 | .90 | .90 | .75 | .75 |
| .80 | .35 | . | ... | Claude Neon | 400 | .35 | .35 | .35 | .35 |
| 14½ | 12½ | 1.08 | 8.2 | Coast Brew. | 57 | 13 | 13 | 12⅞ | 12⅞ |
| 22½ | 14½ | . | ... | Cockshutt Plow | 1117 | 18½ | 18½ | 16 | 16½ |
| 4 | 1⅞ | . | ... | Comm. Alcohol | 1660 | 2½ | 2½ | 2 | 2½ |
| 4⅞ | 3½ | . | ... | Do. pref. | 125 | 4½ | 3⅞ | 3⅞ | 3⅞ |
| 23 | 20 | ‡1+20c | ... | Cons. Bakeries | 1059 | 21 | 21 | 20½ | 20½ |
| 24½ | 10⅞ | . | ... | Cons. Paper | 14216 | 17⅞ | 18½ | 14½ | 15 |
| 20½ | 12½ | 25c | ... | Cons. Press. | 35 | 17 | 18 | 18 | 18 |
| 60 | 47 | . | ... | Cons. Sand. pf. | .... | (47 bid 65 asked) | | | |
| 100½ | 72 | 1+1 | ... | Cons. Smelters | 5650 | 80 | 80 | 75 | 76 |
| 211 | 201 | 10 | 4.9 | Consumers' Gas | 68 | 204⅞ | 204⅞ | 204 | 204⅞ |
| 95½ | 89 | 7 | 7.5 | Corr. P. Box, p. | 15 | 95 | 93 | 91 | 91 |
| 27½ | 23 | 1 | 4.3 | Cosmos Imp. | 40 | 23 | 23 | 23 | 23 |
| 105½ | 104½ | 5 | 4.8 | Do. pref. | .... | 103½ bid 105 asked | | | |
| 23 | 18 | 80c | 4.1 | Crown Cork | .... | (18 bid 19½ asked) | | | |
| 2½ | 1½ | . | ... | Crown Dom. Oil | 100 | 2 | 2 | 2 | 2 |
| 50 | 41 | 3 | ... | Crow's N. Coal | 10 | 44 | 45 | 45 | 45 |
| | | | | **D** | | | | | |
| 5⅞ | 4 | . | ... | David & Fre. A | .... | (3 bid 5 asked) | | | |
| †1½ | ½ | . | ... | Do. (B) | .... | (— bid 1 asked) | | | |
| 22½ | 15 | . | ... | De Havilland | 55 | 20 | 18 | 16 | 18 |
| 82 | 67 | . | ... | Do. pref. | .... | (55 bid 90 asked) | | | |
| 10 | 5 | . | ... | Disher Steel | .... | (— bid — asked) | | | |
| 18⅞ | 15½ | . | ... | Do. pref. | 15 | 17 | 17 | 17 | 17 |
| 29 | 20 | . | ... | Distill.-Seagram | 2410 | 22½ | 22½ | 20½ | 20½ |
| 94½ | 92½ | 5 | 5.4 | Do. pref. | .... | (— bid 90½ asked) | | | |
| .. | .. | . | ... | Dom. Ang. Inv. | .... | (90 bid — asked) | | | |
| 95 | 95 | 5+1.25▲ | ... | Do. pref. | .... | (90 bid — asked) | | | |
| 250 | 228 | 10 | 4.3 | Dom. Bank | 177 | 230 | 233 | 228 | 228 |
| 58⅞ | 47 | 1.20 | 2.4 | Dom. Bridge | 886 | 52⅞ | 52 | 47 | 49 |
| 24 | 19⅞ | 1.50 | 7.4 | Dom. Coal, pf. | 912 | 20⅞ | 21 | 19½ | 20 |
| 73 | 59 | . | ... | Dom. Engineer | 160 | 62 | 62 | 60 | 60 |
| 33½ | 30 | . | ... | Dom. Foundries | 20 | 30½ | 30½ | 30½ | 30½ |
| 99 | 99 | . | ... | Do. pref. | 10 | .... | 99 | 99 | 99 |
| 118 | 110 | 5 | 4.5 | Dom. Glass | 20 | 110 | 110 | 110 | 110 |
| 153 | 140 | 7 | 4.8 | Do. pref. | 55 | 145 | 145 | 140 | 145 |
| .10 | .10 | . | ... | Dom. Motors | .... | (.10 bid — asked) | | | |
| 43½ | 40 | . | ... | Dom. Oilcloth | .... | (— bid 40½ asked) | | | |
| 105 | 105 | 7 | 6.7 | Dom. Rubber, p. | .... | (95½ bid 105 asked) | | | |
| 5 | 4 | . | ... | Dom. Scottish | 10 | 4½ | 4½ | 4½ | 4½ |
| 44 | 40 | 1 | ... | Do. pref. | 15 | 42½ | 42½ | 40 | 42½ |
| 28⅞ | 12½ | . | ... | Dom. St. & C.B. | 21671 | 19⅞ | 20 | 17½ | 18 |
| 12⅞ | 9½ | . | ... | Dom. Stores | 1445 | 10½ | 11 | 10 | 10 |
| 18½ | 12⅞ | . | ... | Dom. Tar & Ch. | 1115 | 15 | 15 | 12⅞ | 13½ |
| 117 | 107 | . | ... | Do. pref. | 19 | 110 | 110 | 108½ | 110 |
| 88½ | 72 | 5 | 6.2 | Dom. Textile | 280 | 80 | 80 | 80 | 80 |
| 149 | 142 | 7 | 4.8 | Do. pref. | .... | 143½ bid 150 asked | | | |
| 19½ | 13½ | . | ... | Donnacona P.A. | 2103 | 15½ | 15½ | 13½ | 13½ |
| 19 | 13½ | . | ... | Do. (B) | 285 | 14⅞ | 14 | 13½ | 14 |
| 20 | 13½ | . | ... | Dryden Paper | 610 | 16½ | 15⅞ | 13½ | 14 |
| | | | | **E** | | | | | |
| 7 | 2 | . | ... | East. Koot. Pr. | .... | (2 bid — asked) | | | |
| 36 | 12½ | . | ... | Do. pref. | .... | (12½ bid 15 asked) | | | |
| 5 | 2½ | . | ... | East. Dairies | 200 | 2½ | 3 | 2½ | 2½ |
| 30 | 14½ | . | ... | Do. pref. | .... | (14 bid 14½ asked) | | | |
| 24 | 19 | . | ... | East. Steel | .... | (18½ bid 20 asked) | | | |
| 109 | 106 | 7 | ... | Do. pref. | .... | 106⅞ bid 107½ asked | | | |
| †85 | 72½ | 7 | ... | East. Theat., pf. | .... | (60 bid 84 asked) | | | |
| 9½ | 4⅞ | . | ... | Easy Washing | 200 | 5½ | 6 | 6 | 6 |
| 39 | 34 | 1.37½ | ... | Economic Inv. | .... | (35 bid 39 asked) | | | |
| 24 | 17½ | 1.60+10c | ... | Electrolux | 670 | 20 | 20 | 17½ | 18 |
| 8½ | 5½ | . | ... | Enam. & Heat. | 205 | 7 | 6½ | 6 | 6 |
| 37 | 30 | . | ... | English Electric | 2 | 32 | 33 | 33 | 33 |
| 16⅞ | 10½ | . | ... | Do. (B) | 265 | 11½ | 11½ | 10½ | 10½ |
| 7 | 5½ | . | ... | Equitable Life | 13 | 6 | 6 | 6 | 6 |
| 10½ | 9½ | . | ... | European El. A. | 100 | 9⅞ | 9½ | 9½ | 9½ |
| .65 | .65 | . | ... | Do. Warrants | .... | (.35 bid — asked) | | | |
| | | | | **F** | | | | | |
| 12 | 8½ | . | ... | Fairchild Air | 610 | 9½ | 9½ | 8½ | 9 |
| 35 | 34 | . | ... | Fam. Players | .... | (— bid 28 asked) | | | |
| 34 | 29 | . | ... | Do. Vot. Tr. | 15 | 30 | 29 | 29 | 29 |
| 24½ | 19 | 25c | ... | Fanny Farmer | 1040 | 20½ | 21 | 19½ | 20½ |
| 29½ | 22½ | 1 | 4.2 | Ford Motors A. | 2436 | 24½ | 24½ | 23 | 23 |
| 2½ | 1 | . | ... | For. Pr. Secs. | 45 | 1.25 | 1.25 | 1.25 | 1.25 |
| 31 | 23 | . | ... | Foundation Co. | 460 | 25½ | 25 | 23 | 24½ |
| 50 | 29 | . | ... | Fraser Cos. | 489 | 42 | 41½ | 37½ | 39 |
| 50 | 29½ | . | ... | Do. Vot. Tr. | 7530 | 42 | 42½ | 38 | 39½ |
| 53 | 45 | . | ... | Freiman, pf. | 20 | 48 | 49 | 47½ | 49 |
| 11 | 6 | . | ... | Frost Steel | .... | (6½ bid 7 asked) | | | |
| 107 | 100½ | 7 | ... | Do. pref. | 30 | 105⅞ | 104½ | 104 | 104½ |
| 48 | 40 | . | ... | Do. pref. A | 5 | 45½ | 45½ | 45½ | 45½ |
| | | | | **G** | | | | | |
| 18½ | 6 | . | ... | Gen. St. Wares | 2080 | 14 | 14½ | 13½ | 13½ |
| 110 | 76 | . | ... | Do. pref. | 508 | 103 | 103 | 100 | 100 |
| 92½ | 82 | 2.50+2.50 | ... | Goodyear Tire | 81 | 84 | 85 | 84 | 84 |
| 57 | 53 | 2.50 | 4.6 | Do. pref. | 290 | 53½ | 54 | 53½ | 53⅞ |
| 26⅞ | 13½ | . | ... | Gt. Lakes Pap. | 1452 | 17½ | 18½ | 16 | 17 |
| 51 | 33 | . | ... | Do. pref. | 539 | 39½ | 38½ | 37 | 37½ |
| 3½ | 1½ | . | ... | Gt. W. Saddlery | .... | (2 bid 2½ asked) | | | |
| 40 | 29½ | . | ... | Do. pref. | 21 | 36 | 35 | 35 | 35 |
| 15½ | 7½ | 20c | ... | Gurd, Chas. | 215 | 11 | 11 | 9½ | 9⅞ |
| 105 | 95 | 7 | 6.7 | Do. pref. | .... | (100 bid — asked) | | | |
| 18½ | 13½ | . | ... | Gypsum, Lime | 3221 | 15⅞ | 15½ | 14½ | 15 |
| | | | | **H** | | | | | |
| 18½ | 12⅞ | . | ... | Ham. Bridge | 695 | 14⅞ | 15 | 14 | 14 |
| 90⅞ | 63 | . | ... | Do. pref. | 30 | 82 | 80 | 79 | 79 |
| 40½ | 30 | 2.40▲ | 5 | Ham. Cot., pf. | .... | (26 bid 39 asked) | | | |
| 3½ | 2 | . | ... | Ham. U. Theat. | 20 | 2 | 2 | 2 | 2 |
| 69 | 58½ | 5 | 8.3 | Do. pref. | .... | (61 bid 65 asked) | | | |
| 7 | 4½ | 10c | ... | Harding Carpet | 265 | 5 | 5 | 5 | 5 |
| 5 | 5 | . | ... | Hillcrest Coll. | .... | (2½ bid 6 asked) | | | |
| 25 | 15 | . | ... | Do. pref. | .... | (20 bid — asked) | | | |
| 22½ | 19⅞ | 1 | 4.9 | Hinde & Dauch | 80 | 20⅞ | 20½ | 20 | 20 |
| 18 | 14 | . | ... | Holt Renfrew | .... | (14 bid — asked) | | | |
| 74 | 56 | . | ... | Do. pref. | .... | (65 bid 82 asked) | | | |
| 1.75 | .60 | . | ... | Honey Dew | 200 | .80 | .75 | .75 | .75 |
| 15 | 12 | . | ... | Do. pref. | 25 | 14 | 14 | 14 | 14 |
| 34½ | 18½ | . | ... | H. Smith Pap. | 916 | 27½ | 27½ | 25½ | 25½ |
| 105 | 99½ | 6 | 5.9 | Do. pref. | 80 | 102 | 102 | 102 | 102 |
| 32⅞ | 30 | 2 | 6.2 | Humberstone S. | .... | (29 bid 31½ asked) | | | |
| 19 | 11½ | . | ... | Hunts (A) | 20 | 13 | 13½ | 13½ | 13½ |
| 18 | 12 | . | ... | Do. (B) | 11 | 14 | 14 | 14 | 14 |
| 90 | 72 | 5 | 5.9 | Huron & E. Mt. | 8 | 85 | 85 | 85 | 85 |
| 15½ | 11 | . | ... | Do. 20% pd. | 20 | 14⅞ | 14 | 14 | 14 |
| 13½ | 8½ | 20c | ... | Hydro Electric | 50 | 9 | 8½ | 8½ | 8½ |
| | | | | **I** | | | | | |
| 251½ | 231 | 10 | 4.3 | Imperial Bank | 42 | 235½ | 238 | 232 | 233 |
| 24⅞ | 20 | 50+75c | 5.8 | Imperial Oil | 16416 | 22 | 22 | 21½ | 21½ |
| 15½ | 13⅞ | 40+22½c | ... | Imperial Tob. | 2172 | 14½ | 14½ | 14½ | 14½ |
| 7½ | 7 | 6% | ... | Do. pref. | .... | (7 bid — asked) | | | |
| 38⅞ | 33 | . | ... | Indust. Accept. | 40 | 35 | 35 | 35 | 35 |
| 39½ | 37½ | 2 | ... | Inter-City Bak. | .... | (— bid 37½ asked) | | | |
| 40 | 40 | 4+2 | ... | Inter'c Coal | .... | (40 Apr. 21) | | | |
| 130 | 130 | 8 | ... | Do. pref. | .... | (130 Mar. 10) | | | |
| †.20 | .20 | . | ... | Int. Coal & C. | .... | (.10 bid — asked) | | | |
| b16½ | 8⅞ | . | ... | Int. Hyd. E. A. | 9700 | 11½ | 11½ | 10 | 10 |
| 18½ | 11 | . | ... | Int. Metal Ind. | 480 | 13½ | 13 | 12 | 12½ |
| 108 | 90½ | . | ... | Do. pref. | 16 | 98 | 94 | 91 | 92 |
| 105 | 99½ | 5 | 4.9 | Int. Mill., pf. | 40 | 101½ | 102 | 102 | 102 |
| 73½ | 54 | 2 | 3.4 | Int. Nickel | 20348 | 61⅞ | 61½ | 57½ | 58½ |
| 11 | 6½ | . | ... | Int. Paints | .... | (6½ bid 8 asked) | | | |
| 20 | 18 | 75c | ... | Do. pref. | .... | (— bid 20 asked) | | | |
| b24⅞ | 16½ | . | ... | Int. Pa. & P. A. | 6200 | 18⅞ | 18⅞ | 16⅞ | 16⅞ |
| b18 | 10⅞ | . | ... | Do. (B) | 4300 | 13½ | 13½ | 12½ | 12⅞ |
| b9½ | 5⅞ | . | ... | Do. (C) | 8700 | 7½ | 7½ | 6⅞ | 6½ |
| b121⅞ | 90½ | . | ... | Do. pref. | 19100 | 105 | 104 | 96 | 98 |
| 39⅞ | 33½ | 1.50+1 | 6.9 | Int. Pete. | 8606 | 36 | 36½ | 35½ | 36½ |
| 12½ | 5 | . | ... | Int. Power | 15 | 7½ | 7⅞ | 7⅞ | 7⅞ |
| 98 | 89½ | 6 | 6.7 | Do. pref. | 20 | 90 | 90½ | 89½ | 89½ |
| †15½ | 13 | 1.12 | ... | Int. St. Rlty. A. | .... | (— bid 10½ asked) | | | |
| 21½ | 15⅞ | . | ... | Int. Util. (A) | 35 | 17 | 17 | 17 | 17 |
| 3½ | 1½ | . | ... | Do. (B) | 2825 | 1⅞ | 1⅞ | 1⅞ | 1⅞ |
| | | | | **J** | | | | | |
| 37 | 34½ | 1.75 | 4.8 | Jam. Pub. Ser. | .... | (36½ bid 37 asked) | | | |
| 132 | 130 | 7 | 5.4 | Do. pref. | .... | (— bid 130 asked) | | | |
| | | | | **K** | | | | | |
| 39 | 27½ | . | ... | Kelvinator | 52 | 30 | 29½ | 27½ | 27½ |
| 108 | 106½ | 7 | 6.6 | Do. pref. | .... | (— bid 107½ asked) | | | |
| | | | | **L** | | | | | |
| 43½ | 29⅞ | . | ... | Lake of Woods | 545 | 31½ | 32 | 29⅞ | 30 |
| 156 | 143 | 7 | 4.8 | Do. pref. | 5 | 145 | 149 | 149 | 149 |
| 75 | 55½ | 5 | 7.3 | Landed Bank | .... | (68½ bid 70 asked) | | | |
| 22 | 15½ | 70c | 3.7 | Lang, J. A. | 470 | 19⅞ | 20 | 18 | 18 |
| 6 | 4½ | . | ... | Langley's | 25 | 5½ | 4½ | 4½ | 4½ |
| 65 | 55 | . | ... | Do. pref. | 2 | 60 | 60 | 60 | 60 |
| 77 | 68½ | 3 | 4.3 | Laura Secord | 10 | 72 | 69 | 69 | 69 |
| 15 | 8 | . | ... | Lindsay, C. W. | 40 | 10 | 10 | 10 | 10 |
| 78 | 70 | . | ... | Do. pref. | .... | (— bid 73 asked) | | | |
| 25⅞ | 22⅞ | 1+12½c | ... | Loblaw (A) | 578 | 24 | 24 | 23½ | 23⅞ |
| 23 | 21 | 1+12½c | ... | Do. (B) | 1090 | 21½ | 21⅞ | 21 | 21⅞ |
| | | | | **M** | | | | | |
| 1.80 | 1.40 | . | ... | Mackenzie Air | .... | (— bid 1.50 asked) | | | |
| †10½ | 2⅞ | . | ... | MacKin. Steel | .... | (— bid 9 asked) | | | |
| 64 | 60 | . | ... | Do. pref. | .... | (— bid 70 asked) | | | |
| 37½ | 27 | . | ... | Maclaren Pr. p. | 520 | 29 | 29½ | 27⅞ | 28 |
| 3 | 2 | . | ... | M. L. Gardens | 150 | 2⅞ | 2 | 2 | 2 |
| 5 | 2½ | . | ... | Do. pref. | 195 | 4 | 4 | 3½ | 3½ |
| 11 | 6½ | . | ... | Maple Leaf | 780 | 8½ | 8 | 7 | 7⅞ |
| 12⅞ | 5 | . | ... | Do. pref. | 190 | 7½ | 10½ | 7⅞ | 7½ |
| 17 | 17 | 60+10c | ... | Maritime Tele. | .... | (15 bid — asked) | | | |
| †15 | 15 | 70c | ... | Do. pref. | .... | (16 bid — asked) | | | |
| †18 | 13 | . | ... | Marcus Loew's | .... | (— bid 20 asked) | | | |
| 125 | 120 | 7 | 5.8 | Do. pref. | .... | (110 bid — asked) | | | |
| 16⅞ | 8½ | . | ... | Massey-Harris | 4340 | 12⅞ | 12⅞ | 11½ | 11⅞ |
| 74 | 52½ | . | ... | Do. pref. | 698 | 67½ | 65 | 60 | 70 |
| 15 | 8½ | 40c | 4.3 | McColl Fron. | 4262 | 9½ | 9⅞ | 9 | 9½ |
| 101 | 88 | 6 | 6.6 | Do. pref. | 181 | 91½ | 91½ | 90½ | 90½ |
| 8 | 3 | . | ... | Melchers | 70 | 3½ | 3½ | 3 | 3 |
| 9½ | 6½ | . | ... | Do. pref. | 71 | 7 | 6⅞ | 6½ | 6½ |
| 2 | 2 | . | ... | Mercury Mills | 20 | 2 | 2 | 2 | 2 |
| 40 | 20 | . | ... | Do. pref. | 10 | 30 | 30 | 30 | 30 |
| 50 | 49 | 2 | ... | Mitchell, J. S. | .... | (50 bid 54 asked) | | | |
| †110 | 110 | 7 | ... | Do. pref. | .... | (111 bid — asked) | | | |
| 30 | 19 | . | ... | Mitchell, Robt. | 435 | 23⅞ | 23 | 21 | 21 |
| 5½ | 5 | . | ... | Monarch Knit. | 20 | 5½ | 5 | 5 | 5 |
| 86 | 67 | 7 | 10.4 | Do. pref. | 30 | 84½ | 67 | 67 | 67 |
| 48 | 36 | 50c | ... | Montreal Cot. | .... | (47½ bid — asked) | | | |
| 110 | 105 | 7 | 6.7 | Do. pref. | 5 | 105 | 105 | 105 | 105 |
| 1½ | 1 | . | ... | Mont. Is. Pr. | .... | (1½ bid 3 asked) | | | |
| 37½ | 29 | 1.50 | 5 | Mont. L. & Pr. | 3260 | 30½ | 30½ | 29½ | 29½ |
| 31 | 28 | 2 | 6.4 | Montreal Loan | .... | (29½ bid 29⅞ asked) | | | |
| 17 | 13 | 1 | ... | Mtl. Refrig., pf. | 5 | 17 | 16 | 16 | 16 |
| 2 | 1⅞ | . | ... | Do. Vot. Tr. | 5 | 2 | 2 | 2 | 2 |
| 65 | 58 | 3.20 | 5 | Montreal Tele. | 55 | 63 | 63 | 63 | 63 |
| 102 | 80 | 9 | 11.2 | Montreal Trams | 157 | 85 | 80 | 80 | 80 |
| 45 | 42 | 1.60 | 3.8 | Moore Corp. | 880 | 42½ | 43½ | 42 | 42 |
| 188 | 180 | 7 | 3.9 | Do. pref. (A) | 165 | 183 | 182 | 180 | 180 |
| 267 | 252½ | 7 | 2.8 | Do. pref. B | .... | (250 bid — asked) | | | |
| 1½ | 1 | . | ... | Muirheads | .... | (— bid ⅞ asked) | | | |
| 5 | 5 | . | ... | Do. pref. | .... | (5½ bid — asked) | | | |
| | | | | **N** | | | | | |
| 42½ | 37½ | 2 | 5.1 | Nat. Breweries | 1764 | 39 | 40 | 39 | 40 |
| 43½ | 39 | 1.75 | 4.1 | Do. pref. | 15 | 42 | 43 | 43 | 43 |
| 11 | 8½ | . | ... | Nat. Grocers | 1975 | 9½ | 9½ | 9 | 9½ |
| 140 | 136 | 7 | 5.2 | Do. pref. | 10 | 140 | 138 | 136 | 136 |
| 21½ | 19 | . | ... | N. Sew. Pipe A. | .... | (19⅞ bid 20 asked) | | | |
| 57½ | 39⅞ | . | ... | Nat. Steel Car | 1385 | 45⅞ | 45⅞ | 40 | 41½ |
| 210 | 201 | 8 | 4 | National Tr. | .... | (205 bid 207 asked) | | | |
| 54 | 40 | 2 | 4.9 | Niag. W. Weav. | 140 | 42½ | 42 | 41 | 42 |
| 4 | 2 | . | ... | North Star Oil | .... | (2 bid 2½ asked) | | | |
| 4½ | 3⅞ | 26¼c | ... | Do. pref. | .... | (3⅞ bid 4½ asked) | | | |
| 97½ | 97½ | 5 | 5.1 | N. S. L. & Pr. | .... | (— bid 98 asked) | | | |
| 105 | 97½ | 6 | 5.7 | Do. pref. | .... | (104 bid — asked) | | | |
| 37 | 9½ | . | ... | N. S. Steel, pf. | .... | (— bid — asked) | | | |
| | | | | **O** | | | | | |
| 300 | 235 | 8 | 3.1 | Ogilvie Flour | 71 | 260 | 260 | 255 | 255 |
| 168 | 150 | 7 | 4.6 | Do. pref. | .... | (150 bid 160 asked) | | | |
| 112 | 106 | 5 | 4.6 | Ontario Loan | 315 | 107 | 109 | 107 | 109 |
| 7½ | 4⅞ | . | ... | Ont. Silknit | .... | (— bid 8 asked) | | | |
| 71 | 69½ | 7 | 9.8 | Do. pref. | .... | (— bid 69 asked) | | | |
| 18⅞ | 15 | . | ... | Ont. Steel | 29 | 16 | 16 | 15 | 16 |
| 114 | 114 | 7+51▲ | ... | Do. pref. | .... | (107 bid 115 asked) | | | |
| 3½ | 2 | . | ... | Orange Crush | 415 | 2½ | 3 | 2½ | 2½ |
| 10 | 5½ | 35c | ... | Do. pref. | 205 | 7 | 7 | 6 | 7 |
| 100 | 91 | 6 | 6.6 | Ott. L. H. & Pr. | 12 | 92 | 91 | 91 | 91 |
| 105 | 102⅞ | 5 | 4.9 | Do. pref. | .... | (— bid 104 asked) | | | |
| 22½ | 19½ | 2 | 9.5 | Ott. Traction | .... | (21 bid 23 asked) | | | |
| | | | | **P** | | | | | |
| 109½ | 98 | 1.75+25c | ... | Page-Hersey | 148 | 100 | 100 | 98 | 100 |
| 9½ | 5½ | . | ... | Pantepec Oil | 3550 | 7⅞ | 8 | 6⅞ | 7½ |
| 20 | 15 | . | ... | Paton Mfg. | .... | (15 Apr. 16) | | | |
| †110 | 100 | 7 | ... | Do. pref. | .... | (110 Nov. 7, '36) | | | |
| 63⅞ | 58 | 3 | 5 | Penmans | 73 | 62½ | 62½ | 58 | 60 |
| 130 | 127 | 6 | 4.7 | Do. pref. | .... | (— bid 125 asked) | | | |
| 26½ | 21 | 1 | 4.5 | Photo Eng. | 50 | 21½ | 22½ | 22 | 22½ |
| 102 | 96 | 7 | 7.2 | Porto Rico Pr. p | 20 | 100½ | 99½ | 98 | 98 |
| 33⅞ | 20 | 25c | ... | Power Corp. | 1240 | 24 | 24 | 20 | 21 |
| 108 | 100 | 6 | 6 | Do. pref. | 37 | 102½ | 102 | 100 | 100 |
| 3⅞ | 2½ | . | ... | Prairie C. Oil | .... | (2½ bid 2⅞ asked) | | | |
| 36 | 30 | 50c | ... | Pressed Metals | 150 | 33 | 30 | 30 | 30 |
| 53 | 25 | . | ... | Price Bros. | 6081 | 41 | 41½ | 36 | 36 |
| 79 | 64½ | . | ... | Do. pref. | 1010 | 69 | 67 | 65⅞ | 65⅞ |
| | | | | **Q** | | | | | |
| 25½ | 17½ | 1 | 5.7 | Quebec Power | 145 | 19⅞ | 19 | 17½ | 17½ |
| 4⅞ | 4 | . | ... | Que. Telephone | .... | (4⅞ bid 5 asked) | | | |
| | | | | **R** | | | | | |
| 58 | 40 | 2 | 5 | Real Estate L'n. | .... | (— bid 95 asked) | | | |
| 10½ | 8 | . | ... | Regent Knit. | 200 | 9 | 9 | 8½ | 8½ |
| 23½ | 19 | . | ... | Do. pref. | 15 | 23 | 23½ | 23½ | 23½ |
| 4 | 2½ | 15c | ... | Reinhardt Brew | 650 | 4 | 4 | 3⅞ | 3⅞ |
| 14½ | 8 | . | ... | Reliance Grain | 10 | 13 | 13½ | 13 | 13½ |
| 20½ | 22 | 60+15c▲ | ... | Remington R'd. | .... | (24⅞ bid 25⅞ asked) | | | |
| 33 | 30½ | 2 | 6.5 | River S. Mills | 50 | 31 | 32 | 30⅞ | 30⅞ |
| 8⅞ | 6 | . | ... | Rogers Majest. | 155 | 6½ | 6⅞ | 6 | 6½ |
| 31 | 26 | 1 | ... | Rolland Pap. | .... | (30 Apr. 20) | | | |
| 33 | 25 | . | ... | Do. Vot. Trust | .... | (— bid 28 asked) | | | |
| 106½ | 103½ | 6 | 5.8 | Do. pref. | 5 | 104 | 104 | 104 | 104 |
| 11½ | 11⅞ | 25c | ... | Root Petroleum | .... | (11⅞ Jan. 29) | | | |
| 227 | 198 | 8 | 3.9 | Royal Bank | 457 | 206 | 206 | 204 | 204 |
| 78 | 56 | 1.25 | ... | Russell Motor | .... | (70 bid — asked) | | | |
| 118 | 110 | 7 | 6.2 | Do. pref. | .... | (113 bid 116 asked) | | | |
| | | | | **S** | | | | | |
| 103½ | 98⅞ | 5.50 | 5.3 | Saguenay Pr. p. | 200 | 103 | 103 | 102 | 102 |
| 23 | 13 | . | ... | Sarnia Br. (A) | 25 | 14 | 13 | 13 | 13 |
| 16 | 7 | . | ... | Do. (B) | 6 | 8 | 7 | 7 | 7 |
| 34 | 25½ | 80c | 3 | Shawinigan Pr. | 2305 | 28⅞ | 28⅞ | 25⅞ | 26½ |
| 30 | 24 | . | ... | Sher. Wms. | 275 | 26 | 26½ | 24 | 24 |
| 131 | 127 | 7 | 5.5 | Do. pref. | 5 | 127 | 127 | 127 | 127 |
| 16 | 14 | . | ... | Simon & Son | 10 | 15 | 14 | 14 | 14 |
| 103½ | 100 | 7 | 7 | Do. pref. | 2 | 101⅞ | 100 | 100 | 100 |
| 110 | 97½ | 5 | 5 | Simpson, pf. | 70 | 99½ | 99½ | 97½ | 97½ |
| 38 | 20 | . | ... | Do. (A) | 20 | 27 | 27 | 27 | 27 |
| 17 | 9 | . | ... | Do. (B) | 140 | 10 | 9 | 9 | 9 |
| 122 | 109 | 6 | 5.2 | Simpson, R., pf. | 2 | 114 | 115 | 115 | 115 |
| 18½ | 13½ | 80c | 5.7 | So. Can. Pr. | .... | (13½ bid — asked) | | | |
| 108 | 104 | 6 | 5.7 | Do. pref. | 50 | 106 | 106 | 105 | 105½ |
| 15½ | 6½ | . | ... | St. Law. Corp. | 5870 | 12 | 12 | 10½ | 10⅞ |
| 39⅞ | 25 | . | ... | Do. (A) | 3377 | 31 | 30½ | 28½ | 29½ |
| 25 | 22 | 25c | ... | St. Law. Flour. | 175 | 22 | 23 | 22 | 22 |
| 145 | 140 | 7 | 5 | Do. pref. | .... | 138½ bid 145 asked | | | |
| 94⅞ | 68 | . | ... | St. Law. Pap. p | 1503 | 81 | 80 | 78 | 79 |
| 15⅞ | 11⅞ | . | ... | Stand. Chem. | .... | (10 bid 15 asked) | | | |
| 14½ | 8 | . | ... | Stand. Clay | .... | (— bid 14 asked) | | | |
| 9½ | 5½ | . | ... | St. Pav. & Mat. | 465 | 6 | 6½ | 5⅞ | 6 |
| 56 | 40 | . | ... | Do. pref. | .... | (— bid 42 asked) | | | |
| 49½ | 45 | 3+75c▲ | ... | Stand. Steel, p. | .... | (42 bid 50 asked) | | | |
| 96½ | 77 | 1.75‡ | 2.2 | Steel of Can. | 701 | 80 | 80⅞ | 77 | 78 |
| 88½ | 71 | 1.75 | 2.4 | Do. pref. | 120 | 75½ | 73½ | 71 | 73 |
| 4½ | 3½ | . | ... | Sterling Coal | 20 | 4½ | 4 | 4 | 4 |
| 3½ | 1 | . | ... | Stop & Shop | .... | (1 bid 2 asked) | | | |
| 17 | 15½ | 80c | 5 | Stuart, D. A., pf | 10 | 16½ | 16 | 16 | 16 |
| 3 | 3 | . | ... | Supersilk H. | .... | (3½ bid — asked) | | | |
| 83 | 80 | 3.50 | 4.2 | Do. pref. | .... | (— bid 85 asked) | | | |
| 37 | 33½ | 1 | 2.8 | Sup. Pete. ord. | 145 | 35½ | 36 | 35 | 36 |
| 36 | 33 | 1 | 2.8 | Do. com. | .... | (33 bid 35½ asked) | | | |
| | | | | **T** | | | | | |
| 16⅞ | 15½ | 80c | 5 | Tamblyn | 320 | 16½ | 16½ | 16 | 16½ |
| 54 | 52½ | 2.50 | 4.6 | Do. pref. | .... | (52 bid — asked) | | | |
| 2½ | 1½ | . | ... | Thayers | 100 | 2 | 2 | 2 | 2 |
| 25 | 19 | 2.50 | ... | Do. pref. | .... | (20 bid 22 asked) | | | |
| 2 | 1 | . | ... | Thrift Stores | .... | (1 bid 1½ asked) | | | |
| 8 | 6 | . | ... | Do. pref. | .... | (— bid 6½ asked) | | | |
| 14 | 10 | 40c | ... | Tip Top Tailors | 45 | 13 | 12½ | 12 | 12½ |
| 110 | 104 | 7 | 6.4 | Do. pref. | 25 | 108½ | 109⅞ | 108½ | 108½ |
| 6 | 2 | . | ... | Tooke Bros. | .... | (3 bid — asked) | | | |
| 34⅞ | 21 | . | ... | Do. pref. | 25 | 30 | 24½ | 24½ | 24½ |
| 46 | 36 | 1 | 2.6 | Tor. Elevators | 351 | 39 | 39½ | 38 | 38 |
| 52 | 47 | 66c | ... | Do. pref. | 22 | 47 | 48 | 48 | 48 |
| 110 | 96½ | 4 | 4 | Tor. Gen. Tr. | 5 | 100 | 101 | 101 | 101 |
| 126 | 120 | 6 | 4.8 | Toronto Mtge. | 8 | 125 | 125 | 125 | 125 |
| 160 | 152 | 7 | 4.6 | Tuckett Tob. p. | 5 | 157 | 152 | 152 | 152 |
| 18 | 10½ | . | ... | Twin City | .... | (— bid 12 asked) | | | |
| | | | | **U** | | | | | |
| 19 | 13 | 27½c | ... | Union Gas | 1769 | 15 | 15 | 13½ | 13⅞ |
| 28 | 20 | 60c | ... | Un. Amuse. A. | .... | (— bid 30½ asked) | | | |
| 27 | 24 | 60c | ... | Do. (B) | .... | (— bid 30 asked) | | | |
| 1.15 | .65 | . | ... | United Distill. | 400 | .95 | .90 | .85 | .85 |
| 62½ | 51½ | . | ... | United Fuel, pf. | 95 | 56 | 57 | 53½ | 54 |
| 25 | 23 | 2 | 8.7 | United Secs. | 5 | 24 | 23 | 23 | 23 |
| 11½ | 6 | . | ... | United Steel | 4375 | 7½ | 7⅞ | 6 | 7½ |
| | | | | **V** | | | | | |
| 8 | 4 | . | ... | Viau Bisc. | 20 | 4 | 4 | 4 | 4 |
| 60 | 50 | . | ... | Do. pref. | 95 | 50 | 50 | 50 | 50 |
| | | | | **W** | | | | | |
| 27 | 20 | 50c | ... | Wabasso Cot. | 142 | 23 | 24 | 20 | 24 |
| 49½ | 42 | 2 | 4.6 | Walker-Good. | 1486 | 44⅞ | 44½ | 42 | 43½ |
| 20 | 18½ | 1 | 5.5 | Do. pref. | 1073 | 19½ | 19½ | 18½ | 19½ |
| 3½ | 2 | . | ... | Walkerville Br. | 635 | 2½ | 2½ | 2 | 2 |
| 5 | 2½ | . | ... | Waterloo Mfg. | 300 | 3 | 3 | 2½ | 2⅞ |
| 12½ | 9 | . | ... | West. C. Flour | .... | (— bid 9 asked) | | | |
| 90 | 76 | . | ... | Do. pref. | .... | (— bid 70 asked) | | | |
| 71 | 65 | 2.40 | 3.3 | West. Grocers | 50 | 71 | 70½ | 70½ | 70½ |
| 122 | 115½ | 7 | 5.8 | Do. pref. | .... | (117½ bid — asked) | | | |
| 18½ | 15½ | 80+10c | ... | Weston Ltd. | 725 | 15⅞ | 15⅞ | 15½ | 15½ |
| 106½ | 99 | 5 | 4.9 | Do. pref. | 70 | 100½ | 101 | 100 | 100 |
| 8 | 4 | . | ... | Windsor Hotel | 5 | 5 | 5½ | 5½ | 5½ |
| 23 | 12 | . | ... | Do. pref. | .... | (13 bid 16 asked) | | | |
| 10½ | 4½ | . | ... | Winnipeg El. A. | 801 | 5⅞ | 5½ | 4⅞ | 5 |
| 10 | 4 | . | ... | Do. (B) | 135 | 5 | 5 | 4⅞ | 4⅞ |
| 44 | 29 | . | ... | Do. pref. | 68 | 30 | 31½ | 30 | 30 |
| 75 | 53 | 1.75▲ | ... | Wood, A. & J. p | 10 | 70 | 75 | 75 | 75 |
| 85 | 70 | . | ... | Woods Mfg. pf. | .... | (— bid 75 asked) | | | |
| | | | | **Z** | | | | | |
| 7½ | 5½ | . | ... | Zimmerknit, c. | .... | (5½ bid 5½ asked) | | | |
| 98 | 92 | 7 | ... | Do. pref. | .... | (95 bid 100 asked) | | | |

† 1936.
▲ On account of arrears. b New York quotations.
‡ Plus extra of $2 paid Feb. 1, 1937.
• Plus stock bonus of 1% paid Jan. 2, and 1% Mar. 26, 1937.
▪ Plus capital distribution of $1 paid Feb. 1, 1937.

## Mining Stock Quotations

WEEK ENDED MAY 17, 1937

| Par Val. | Range 1937 High | Low | Company | Sales | Close May 8 (or last) | High for week | Low for week | Close May 17 |
|---|---|---|---|---|---|---|---|---|
| 1 | .10½ | .04½ | Afton | 3,500 | .05½ | .05½ | .04½ | .04½ |
| No | 1.90 | .88 | Aldermac | 53,625 | 1.12 | 1.12 | .99 | .99 |
| 1 | .04½ | .02 | Alexandria | 28,600 | .02 | .03 | .02 | .03 |
| No | 8.75 | 5.55 | Anglo-Huronian | 998 | 6.00 | 6.00 | 5.55 | 5.55 |
| 1 | 1.42 | .60 | Argosy | 7,063 | .65 | .64 | .60 | .60 |
| 1 | 1.15 | .45 | Arntfield | 4,000 | .51 | .55 | .45 | .55 |
| No | .09 | .03 | Arno | 400 | .03½ | .03½ | .03 | .03 |
| 1 | .15 | .08 | Ashley | 6,100 | .09 | .09½ | .08½ | .08½ |
| 1 | .27 | .09 | Astoria Rouyn | 101,300 | .12½ | .13½ | .10 | .11½ |
| 50c. | .16 | .07 | Astec | 2,000 | .08 | .08½ | .08 | .08 |
| 1 | .36 | .23 | Bagamac | 25,675 | .30 | .33 | .27 | .31 |
| 1 | 1.85 | .80½ | Bankfield | 10,165 | .90 | .90 | .85 | .85 |
| 1 | .01½ | .01 | Barry Hollinger | 1,000 | .01½ | .01½ | .01½ | .01½ |
| 1 | .65 | .25 | Base Metals | 7,550 | .35 | .35 | .30 | .33 |
| No | 1.75 | 1.00 | Beattie Gold | 3,250 | 1.30 | 1.30 | 1.20 | 1.22 |
| 1 | .65 | .33 | Beaufor | 12,500 | .37 | .36 | .34 | .34 |
| 1 | 1.70 | .56 | Bidgood Kirk | 172,300 | .70 | .95 | .56 | .89 |
| 1 | .72 | .40 | Big Missouri | 14,500 | .46 | .46 | .41 | .45 |
| 1 | .29 | .14 | Bobjo | 6,300 | .14½ | .15½ | .14½ | .15½ |
| 1 | 1.14 | .40 | Bouscadillac G.M | 13,700 | .45 | .45 | .40 | .40 |
| No | 9.00 | 6.40 | Bralorne | 7,205 | 6.80 | 6.60 | 6.40 | 6.50 |
| 1 | .15 | .06 | Brasil Gold | 1,600 | .07 | .08 | .07 | .08 |
| 1 | .21 | .07½ | Brett Trethewey | 4,300 | .08½ | .08½ | .07½ | .08 |
| 1 | .13 | .05 | Brownlee | 6,900 | .06 | .06½ | .05 | .06 |
| 1 | 12.50 | 8.25 | Buffalo Ankerite | 1,558 | 9.05 | 9.25 | 8.90 | 9.00 |
| No | .06½ | .03½ | Buffalo Can. | 4,200 | .03½ | .04 | .03½ | .03½ |
| 5 | 30.00 | 25.00 | Bulolo Gold | 1,084 | 25.50 | 27.00 | 26.00 | 26.00 |
| No | .23 | .10 | Bunker Hill | 3,200 | .14 | .14 | .12 | .12 |
| No | 2.30 | 1.10 | Can. Malartic | 20,815 | 1.20 | 1.30 | 1.19 | 1.20 |
| 1 | 1.75 | 1.47 | Cariboo Gold | 900 | 1.53 | 1.55 | 1.55 | 1.55 |
| 1 | .47½ | .18 | Cartier Malartic | 18,900 | .25 | .26 | .21 | .22 |
| 1 | 1.66 | 1.00 | Castle Trethewey | 5,650 | 1.10 | 1.10 | 1.00 | 1.03 |
| 1 | .65 | .30 | Cent. Cadillac | 58,500 | .35 | .41 | .30 | .35 |
| 1 | .31 | .06 | Cen. Manitoba | 12,756 | .07½ | .07½ | .06½ | .06½ |
| 1 | 5.25 | 2.60 | Cen. Patricia | 19,255 | 3.00 | 3.10 | 2.75 | 2.90 |
| 1 | .43 | .14 | Cen. Porcupine | 26,700 | .18½ | .18 | .15 | .17 |
| No | 1.47 | .60 | Chromium | 13,650 | .85 | .80 | .75 | .75 |
| No | .06 | .03½ | Church M. & Mill | 10,000 | .03½ | .04 | .03½ | .03½ |
| 5 | 10.00 | 4.75 | Coast Copper | 110 | 5.00 | 4.80 | 4.75 | 4.75 |
| 1 | .03½ | .01½ | Cobalt Contact | 2,500 | .02 | .01½ | .01½ | .01½ |
| 5 | 3.50 | 2.75 | Coniagas | ...... | (2.25 bid 2.75 asked) | | | |
| No | 2.14 | 1.05 | Coniaurum | 3,875 | 1.25 | 1.30 | 1.05 | 1.05 |
| 1 | 2.70 | 1.00 | Con. Chibougamau | 11,633 | 1.15 | 1.15 | 1.00 | 1.08 |
| 25 | 100.00 | 72.00 | Cons. Smelters | 5,659 | 80.00 | 80.00 | 75.00 | 76.00 |
| 1 | .30 | .17 | Coulson Cons. | 81,100 | .25 | .30 | .22 | .23 |
| 1 | 2.98 | .67 | Darkwater | 38,300 | .92 | .92 | .67 | .71 |
| No | 51.12 | 38.25 | Dome Mines | 6,366 | 40.75 | 40.25 | 38.25 | 39.75 |
| 1 | .15 | .04½ | Dom. Explorers | 2,500 | .04½ | .05 | .04½ | .04½ |
| 1 | 1.22 | .40 | Dorval Siscoe | 21,610 | .60 | .63 | .50 | .55 |
| 1 | .15 | .05½ | Duparquet | 28,800 | .09 | .09 | .08 | .08 |
| 1 | 2.05 | .90 | East Malartic | 54,088 | 1.06 | 1.10 | .95 | 1.00 |
| 1 | 3.65 | 2.10 | Eldorado | 20,430 | 2.57 | 2.75 | 2.50 | 2.60 |
| No | 12.87 | 7.10 | Falconbridge | 4,650 | 8.25 | 8.25 | 7.57 | 7.75 |
| 1 | .54 | .10 | Federal | 70,700 | .14 | .15 | .12 | .13 |
| No | 1.59 | .70 | Francoeur Gold | 24,100 | .88 | .90 | .70 | .76 |
| 1 | .30 | .10 | Glenora | 12,200 | .13 | .13 | .11 | .12 |
| 1 | .65 | .30 | Gillies Lake | 63,950 | .54½ | .53 | .43½ | .47 |
| No | 1.02 | .45 | God's Lake | 26,183 | .49 | .49 | .45 | .45 |
| 1 | .30 | .08 | Golconda | ...... | (.08 May 6) | | | |
| 1 | .49 | .23 | Goldale | 14,600 | .26 | .26 | .24 | .24½ |
| 50c. | .39 | .12 | Gold Belt | 5,850 | .35 | .30 | .28 | .29 |
| 1 | .68 | .42 | Gold Eagle | 9,750 | .49 | .50 | .42 | .42 |
| 1 | .22 | .10 | Goodfish | 13,400 | .15 | .15 | .13½ | .14½ |
| 1 | .63 | .16 | Graham Bosquet | 10,860 | .21 | .21 | .19 | .19 |
| 1 | .57 | .21 | Granada Gold | 6,432 | .24 | .24 | .21 | .24 |
| No | .18 | .06½ | Grandora | 3,500 | .09 | .09½ | .08 | .08 |
| 1 | .18 | .10 | Grull Wihksne | ...... | (.08 bid .09 asked) | | | |
| 1 | 1.25 | .69 | Gunnar Gold | 13,625 | .80 | .80½ | .75 | .80 |
| 1 | .07 | .02½ | Halcrow Swayze | 1,000 | .03 | .02½ | .02½ | .02 |
| 1 | 3.44 | 1.39 | Hard Rock | 19,335 | 1.60 | 1.62 | 1.40 | 1.54 |
| 1 | .35 | .15 | Harker | 19,800 | .16 | .16 | .15 | .15 |
| 5 | 15.50 | 10.75 | Hollinger | 7,605 | 11.37 | 11.50 | 10.75 | 11.00 |
| 1 | .72 | .33½ | Howey Gold | 17,390 | .36 | .37 | .36 | .36½ |
| No | 41.75 | 27.00 | Hudson Bay | 3,917 | 28.75 | 29.37 | 27.00 | 29.00 |
| 1 | 19.25 | 11.25 | Inter. Mining | ...... | (10.64 bid 11.12 asked) | | | |
| No | 73.25 | 54.00 | Int. Nickel | 20,348 | 61.65 | 61.12 | 57.50 | 58.50 |
| 1 | .54 | .35 | Jacola | 17,409 | .37 | .38 | .35 | .35 |
| 1 | 1.61 | .78 | Jack Waite | 8,800 | .90 | .90 | .78 | .84 |
| 1 | 2.15 | .90 | Jellicoe | 45,461 | 1.12 | 1.12 | 1.00 | 1.08 |
| 1 | .59 | .28 | J. M. Cons. Gold | 32,700 | .30 | .31 | .28 | .30 |
| 1 | 3.30 | 2.20 | Kerr Addison | 43,768 | 2.56 | 2.55 | 2.35 | 2.40 |
| 1 | .65 | .35 | Kerr Lake | 405 | .60 | .55 | .35 | .35 |
| 1 | .55 | .35 | Kirk. Gold Rand | 1,318 | .35 | .40 | .35 | .40 |
| 1 | 2.65 | 1.35 | Kirk. Hud. Bay | 8,000 | 1.55 | 1.85 | 1.60 | 1.85 |
| 1 | 1.70 | .90 | Kirkland Lake | 51,135 | 1.38 | 1.41 | 1.30 | 1.36 |
| 1 | .55 | .23 | Kirk. Townsite | 7,500 | .28 | .26 | .24 | .25 |
| 1 | 1.10 | .60 | Laguna | 500 | .62 | .60 | .60 | .60 |
| 1 | 59.50 | 47.50 | Lake Shore | 7,448 | 53.37 | 53.75 | 51.25 | 51.50 |
| 1 | .28 | .07 | Lamaque Contact | 51,150 | .11 | .10½ | .07 | .09½ |
| 1 | 1.33 | .63 | Lapa Cadillac | 11,800 | .74 | .73 | .69 | .70 |
| 1 | 1.05 | .73 | Lava Cap | 19,300 | .81 | .83 | .73 | .75 |
| 1 | .30 | .15 | Lebel Oro | 30,616 | .19½ | .18½ | .16 | .16 |
| 1 | .07½ | .03 | Lee Gold | 8,000 | .03 | .04 | .03 | .04 |
| 1 | 1.35 | .58 | Leitch Gold | 28,000 | .59 | .67 | .58 | .67 |
| No | 8.40 | 5.00 | Little Long Lac | 4,760 | 5.55 | 5.75 | 5.15 | 5.25 |
| 1 | 8.60 | 4.90 | Macassa | 32,965 | 5.20 | 5.25 | 4.90 | 4.95 |
| 1 | 1.26 | .65 | Madsen Red Lake | 14,250 | .83 | .82 | .75 | .76 |
| 1 | .36 | .14 | Maralgo | 10,600 | .15½ | .16 | .14 | .15 |
| 1 | .04½ | .01½ | Malrobic | 23,000 | .02 | .02½ | .01½ | .01½ |
| No | .69 | .27 | Mandy | 2,300 | .39 | .38 | .32 | .34 |
| No | .16 | .03 | Man. & Eastern | 22,800 | .03 | .03½ | .03 | .03 |
| 1 | .44 | .11 | May Spiers | 8,900 | .12 | .13 | .11 | .11 |
| 5 | 42.25 | 32.75 | McIntyre | 3,232 | 33.50 | 35.12 | 32.75 | 34.00 |
| 1 | 2.03 | 1.04 | McKenzie R.L. | 16,875 | 1.20 | 1.24 | 1.10 | 1.20 |
| 1 | .65 | .55 | McKinley | 275 | .55 | .60 | .60 | .60 |
| No | 4.85 | 1.65 | McLeod Cockshutt | 30,416 | 1.90 | 1.90 | 1.65 | 1.68 |
| 1 | .19½ | .02½ | McMillan | 42,700 | .04 | .04½ | .03½ | .03½ |
| No | 1.21 | .50 | McWatters | 17,950 | .60 | .50½ | .50 | .50 |
| 1 | .57 | .17 | McVittie | 30,200 | .31 | .32 | .29 | .32 |
| 5 | 2.00 | 1.50 | Mentor Exp. & Dev. | ...... | (1.25 bid 2.00 asked) | | | |
| No | 5.00 | 2.80 | Mining Corp. | 5,295 | 3.20 | 3.10 | 2.80 | 3.00 |
| No | .33½ | .12½ | Minto Mines | 11,500 | .23 | .22½ | .12½ | .15 |
| 1 | .08 | .03 | Moffatt Hall | 3,000 | .03 | .03½ | .03 | .03 |
| 1 | .88 | .33 | Morris Kirk | 4,400 | .40 | .42 | .36 | .40 |
| 1 | 1.97 | 1.05 | Moneta | 33,639 | 1.30 | 1.35 | 1.25 | 1.30 |
| 1 | .45 | .17 | Montague | 200 | .25 | .25 | .25 | .25 |
| 1 | .10 | .03½ | Murphy | 16,100 | .04 | .04½ | .03½ | .03½ |
| 1 | 1.05 | .35 | Naybob | 4,100 | .50 | .48 | .35 | .35 |
| No | .12 | .04 | Newbec | 15,600 | .05 | .05 | .04 | .04 |
| 1 | 1.40 | .65 | New Golden Rose | 11,400 | .85 | .80 | .65 | .65 |
| 1 | .05 | .02 | Night Hawk Penn | 5,000 | .02 | .02½ | .02 | .02½ |
| 5 | 3.60 | 2.35 | Nipissing | 125 | 2.50 | 2.50 | 2.35 | 2.35 |
| No | 83.00 | 59.25 | Noranda | 8,137 | 62.62 | 63.00 | 59.50 | 60.00 |
| No | .95 | .70 | Nor. Canada | 7,300 | .81 | .81 | .80 | .80 |
| 1 | .16½ | .06 | Norgold | 4,500 | .06½ | .07 | .06 | .07 |
| 1 | 1.75 | 1.20 | Normetal Mining | 3,985 | 1.60 | 1.65 | 1.35 | 1.40 |
| 1 | 13.25 | 6.50 | O'Brien | 25,775 | 8.65 | 8.60 | 8.00 | 8.15 |
| 1 | 1.28 | .45 | Omega | 50,400 | .57 | .60 | .53 | .55 |
| 1 | 2.20 | 1.00 | Oro Plata | 2,500 | 1.10 | 1.10 | 1.00 | 1.02 |
| 1 | .30 | .15 | Osisko | 2,500 | .18½ | .18 | .15 | .15 |
| No | 4.05 | 2.00 | Pamour | 7,751 | 2.25 | 2.40 | 2.20 | 2.30 |
| 1 | 1.10 | .50 | Pandora | 9,900 | .53 | .57 | .51 | .51 |
| 1 | .42 | .19 | Parkhill | 13,037 | .21 | .24 | .19 | .19½ |
| 1 | 3.80 | 2.00 | Pato Cons. G. | 1,800 | 2.40 | 2.80 | 2.30 | 2.80 |
| 1 | .46 | .16 | Paulore | 4,100 | .18 | .18 | .16 | .17 |
| 1 | .41 | .19 | Partanen Gold | 10,400 | .23 | .22 | .19 | .19 |
| 1 | .06 | .02½ | Pawnee Kirk | 6,500 | .02½ | .02½ | .02½ | .02½ |
| 1 | 1.38 | .53 | Paymaster | 53,250 | .58 | .59 | .53 | .56 |
| 1 | .32 | .27 | Payore | 28,200 | .32 | .31 | .27 | .30 |
| 1 | 6.60 | 2.55 | Pend Oreille | 68,920 | 2.89 | 3.00 | 2.55 | 2.95 |
| 1 | 2.31 | .97 | Perron Gold | 22,890 | 1.17 | 1.16 | .97 | 1.05 |
| 1 | .03 | .01½ | Peterson Cobalt | 3,000 | .01½ | .01½ | .01½ | .01½ |
| 1 | 9.20 | 5.20 | Pickle Crow | 19,615 | 6.15 | 6.20 | 5.75 | 5.90 |
| 1 | 6.85 | 4.00 | Pioneer Gold B.C. | 4,580 | 4.25 | 4.35 | 4.00 | 4.00 |
| 1 | 17.00 | 16.50 | Placer Development | 1,210 | 17.00 | 17.00 | 16.50 | 17.00 |
| 1 | .11 | .03½ | Porcupine Crown | 12,000 | .04 | .04 | .03½ | .03½ |
| 1 | 2.20 | .95 | Powell Rouyn | 18,550 | 1.12 | 1.10 | .95 | 1.04 |
| 1 | 4.50 | 2.45 | Premier Gold | 4,500 | 2.64 | 2.60 | 2.45 | 2.59 |
| 1 | 1.47 | .84 | Preston E. Dome | 24,095 | 1.09 | 1.10 | .97 | 1.00 |
| No | 1.55 | 1.10 | Prospectors Air's | 1,200 | 1.40 | 1.40 | 1.40 | 1.40 |
| 1 | .88 | .50 | Quebec Gold | ...... | (.42 bid .55 asked) | | | |
| No | .48 | .10 | Quemont | 2,100 | .11½ | .11½ | .11 | .11½ |
| 1 | 6.85 | 3.60 | Read Authier | 18,220 | 4.00 | 3.95 | 3.60 | 3.65 |
| 1 | 2.00 | .90 | Red Crest | 3,550 | 1.03 | 1.03 | .90 | 1.00 |
| 1 | 1.78 | .39 | Red Lake | 57,600 | .44 | .48 | .39 | .40 |
| No | 1.52 | .90 | Reeves McDonald | 1,000 | .95 | 1.00 | .85 | .85 |
| 1 | 1.35 | .87 | Reno Gold | 23,375 | .90 | .90 | .87 | .88 |
| 1 | .22 | .09 | Reward | 23,700 | .10 | .09½ | .09 | .09 |
| 1 | .16 | .05 | Ritchie | 11,300 | .06 | .06 | .05 | .06 |
| 1 | .12½ | .04 | Robb Montbray | 9,400 | .04½ | .05 | .04½ | .04½ |
| 1 | .48½ | .15 | Roche Long Lac | 82,900 | .19 | .18½ | .15 | .15 |
| 1 | 2.40 | 1.25 | San Antonio | 7,634 | 1.59 | 1.55 | 1.48 | 1.50 |
| 1 | 1.13 | .54 | Shawkey | 14,475 | .68 | .65 | .55 | .56 |
| 50c. | .80 | .57 | Sheep Creek | 2,300 | .78 | .80 | .78 | .78 |
| 1 | 4.00 | 1.80 | Sherritt Gordon | 20,342 | 2.40 | 2.37 | 2.20 | 2.30 |
| 1 | 6.65 | 3.60 | Siscoe | 26,040 | 3.85 | 3.95 | 3.70 | 3.85 |
| 1 | 2.50 | 1.00 | Sladen Malartic | 30,300 | 1.20 | 1.28 | 1.15 | 1.17 |
| 1 | 2.50 | 1.00 | Slave Lake | 11,650 | 1.30 | 1.30 | 1.00 | 1.10 |
| No | .05½ | .02 | South Tiblemont | 13,760 | .02½ | .03 | .02 | .02½ |
| No | 2.90 | .90½ | Stadacona | 181,624 | 1.53 | 1.52 | 1.31 | 1.45 |
| 1 | .32 | .13 | St. Anthony | 35,900 | .22 | .22½ | .16 | .16 |
| No | 6.90 | 3.75 | Sudbury Basin | 3,550 | 4.00 | 4.25 | 3.85 | 4.25 |
| 1 | .40½ | .19½ | Sudbury Contact | 12,100 | .21 | .21 | .19½ | .20 |
| 1 | .04 | .01½ | Sudbury Mines | 47,000 | .02 | .02 | .01½ | .02 |
| 1 | 2.25 | 1.05 | Sullivan Cons. | 24,163 | 1.37 | 1.40 | 1.28 | 1.30 |
| 1 | 4.80 | 2.70 | Sylvanite | 15,135 | 3.05 | 3.10 | 3.00 | 3.10 |
| 1 | .29 | .10 | Tashota | 34,901 | .10½ | .11½ | .10 | .10½ |
| 1 | 6.10 | 4.90 | Teck Hughes | 14,265 | 5.20 | 5.15 | 4.95 | 5.00 |
| 1 | 2.15 | .67 | Thomp Cadillac | 30,280 | .86 | .85 | .75 | .76 |
| ... | .01½ | .01 | Do. Rights | 39,250 | ...... | .01½ | .01 | .01½ |
| 1 | .65 | .20 | Temiskaming | 22,700 | .37 | .41 | .35 | .38 |
| 1 | 4.60 | 2.10 | Toburn Gold | 1,925 | 2.25 | 2.25 | 2.10 | 2.15 |
| 1 | 2.00 | .88 | Towagmac | 10,400 | 1.15 | 1.15 | 1.00 | 1.00 |
| 1 | 2.60 | .50 | Treadwell | 1,900 | .55 | .65 | .50 | .50 |
| No | 3.80 | 1.60 | Ventures | 7,876 | 1.95 | 1.95 | 1.75 | 1.77 |
| No | 4.65 | 2.35 | Waite Amulet | 5,067 | 2.80 | 2.95 | 2.60 | 2.95 |
| 50c | .07½ | .01½ | Wayside | 3,000 | .03 | .02 | .01½ | .02 |
| No | .05 | .02½ | White Eagle | 16,000 | .02½ | .02½ | .02½ | .02½ |
| 1 | .30 | .10 | Whitewater | 4,400 | .14 | .14 | .10 | .10 |
| 1 | .17 | .04½ | Wiltsey Coughlan | 3,000 | .06 | .06 | .04½ | .06 |
| 1 | .77 | .34 | Wood Cadillac | 80,600 | .47 | .47 | .42½ | .42½ |
| No | 8.60 | 6.00 | Wright-Hargreaves | 18,491 | 6.50 | 6.50 | 6.05 | 6.40 |
| No | .53 | .26 | Ymir Girl | 2,200 | .28 | .30 | .26 | .26 |
| | | | **OIL STOCKS** | | | | | |
| No | .22 | .11 | Acme Gas & Oil | 9,700 | .12 | .12½ | .11 | .11 |
| 1 | .57 | .29 | Ajax | 600 | .36 | .40 | .38 | .38 |
| 1 | .95 | .29 | Alta Pac. Cons. | 4,450 | .33 | .34 | .30 | .34 |
| 1 | 1.10 | .23 | British Dominion | 1,000 | .28 | .25 | .23 | .23 |
| No | 6.55 | 2.00 | Calgary & Ed. | 25,975 | 2.30 | 2.40 | 2.10 | 2.30 |
| 1 | 1.75 | .40 | Calmont | 15,085 | .60 | .60 | .52 | .60 |
| No | .95 | .24 | Common Pete | 2,820 | .29 | .28 | .25 | .28 |
| No | 3.60 | .55 | Dalhousie | 20,845 | .85 | .85 | .75 | .80 |
| No | .48 | .10 | Eastcrest | 18,400 | .15½ | .15½ | .14 | .15½ |
| No | 3.35 | .90 | Foothills | 1,925 | 1.10 | 1.05 | 1.00 | 1.00 |
| No | 1.20 | .25 | Foundation Pete | 7,500 | .32½ | .30 | .26 | .26 |
| No | .39 | .16 | Hargal | ...... | (.18 bid ... asked) | | | |
| No | .90 | .15 | High Sarcee | 17,000 | .20 | .19 | .16 | .18 |
| No | 4.05 | 1.35 | Home | 10,775 | 1.75 | 1.79 | 1.53 | 1.62 |
| 1 | .87 | .32 | Homestead O.&G. | 44,700 | .37½ | .39 | .34 | .35 |
| No | .90 | .21 | Lowery | 1,600 | .25 | .25 | .25 | .25 |
| No | .30 | .18½ | McD. Segur Ex. | 1,500 | .20 | .20 | .18½ | .18½ |
| No | .63 | .26 | Mercury | 6,300 | .27½ | .30 | .26 | .27 |
| No | .39 | .10 | Merland | 5,300 | .13 | .13½ | .12 | .12 |
| 1 | 1.15 | .38 | Model | 3,400 | .52 | .48 | .40 | .48 |
| 5 | .49 | .15 | Nordon | 6,900 | .19 | .18 | .16½ | .18 |
| No | .12 | .04½ | Oil Selections | 5,000 | .04½ | .04½ | .04½ | .04½ |
| No | 4.10 | 1.05 | Okalta | 14,975 | 1.37 | 1.48 | 1.20 | 1.30 |
| No | .12 | .04 | Olga Gas & Oil | 4,200 | .05 | .05 | .04 | .04½ |
| No | .43½ | .10 | Pacalta | 15,600 | .15½ | .15 | .13½ | .14 |
| 1 | .70 | .60 | Petrol Oil & Gas | 100 | .65 | .60 | .60 | .60 |
| No | 60.00 | 34.50 | Royalite | 1,255 | 38.00 | 38.50 | 34.50 | 36.00 |
| No | 2.00 | .50 | South West Pete | 350 | .60 | .60 | .50 | .60 |
| 1 | .68 | .27 | Spooner Oil | 100 | .27 | .35 | .35 | .35 |
| No | 2.35 | 1.50 | Texas Can. | 26,590 | 1.99 | 2.10 | 1.85 | 2.03 |
| No | .70 | .17 | United Oil | 12,250 | .20 | .21 | .18½ | .21 |
| 1 | 2.00 | 1.00 | Vulcan | 650 | 1.35 | 1.25 | 1.15 | 1.25 |

### VANCOUVER STOCK EXCHANGE

| Par Val. | Range 1937 High | Low | Company | Sales | Close May 8 (or last) | High for week | Low for week | Close May 17 |
|---|---|---|---|---|---|---|---|---|
| 50c | .15 | .08 | Astec | 4,000 | .08 | .09 | .08 | .09 |
| 25c | .02 | .00½ | Bayview | 7,500 | .01 | .01½ | .01 | .01 |
| 20c | .04 | .01½ | Beaver Silver | 2,000 | .01½ | .01½ | .01½ | .01½ |
| 1 | .70 | .45 | Big Missouri | 7,250 | .48 | .48 | .45 | .46½ |
| 25c | .07½ | .02½ | Bluebird | 6,500 | .04 | .04 | .03½ | .04 |
| No | 9.00 | 6.10 | Bralorne | 3,116 | 6.60 | 6.60 | 6.10 | 6.50 |
| 1 | .07½ | .03½ | Bridge River Cons. | ...... | (.04 bid .04½ asked) | | | |
| 50c | .19 | .10 | B.R. Mountain Gold | ...... | (.15 Apr. 26) | | | |
| 1 | .40 | .17 | B.C. Nickel | 16,500 | .18 | .24 | .18 | .21 |
| 1 | 3.85 | 2.40 | B.C. Silver | 500 | 2.55 | 2.55 | 2.40 | 2.40 |
| 50c | .04½ | .03½ | Canadian Rand | ...... | (.03½ Apr. 14) | | | |
| 1 | 1.79 | 1.45 | Cariboo Gold | 2,925 | 1.55 | 1.59 | 1.55 | 1.59 |
| 1 | .14 | .03½ | Congress Gold | 30,300 | .06½ | .06 | .03½ | .05½ |
| 25c | .05 | .01 | Cork Province | 1,000 | .01½ | .01½ | .01½ | .01½ |
| No | .28 | .13½ | Dentonia | 8,800 | .14 | .14½ | .13½ | .13½ |
| 1 | .05 | .03 | Dunwell | 3,000 | .03½ | .03½ | .03½ | .03½ |
| No | .18 | .09 | Fairview Amal. | 15,484 | .09½ | .10 | .09 | .09½ |
| 50c | .60 | .38 | Fawn Mining | ...... | (... bid .38 asked) | | | |
| 1 | .06½ | .03 | Federal Gold | 13,200 | .04 | .04 | .03 | .03½ |
| 1 | 1.43 | .38 | George Copper | 200 | .40 | .40 | .38 | .40 |
| 50c | .06½ | .03 | George Enterprise | 1,000 | .03½ | .04½ | .04½ | .04½ |
| 1 | .05 | .02 | Georgia River | 8,800 | .02½ | .03½ | .02½ | .03 |
| 1 | .29 | .07½ | Golconda | 1,500 | .08 | .07½ | .07½ | .07½ |
| 50c | .37 | .11½ | Gold Belt | 10,050 | .31½ | .31 | .29 | .30 |
| 50c | .43 | .05 | Gold Mountain | 178,100 | .07½ | .09½ | .05½ | .09½ |
| 50c | .30 | .11½ | Grandview | 12,400 | .14 | .14 | .13 | .14 |
| No | .03½ | .02 | Grange Mines | 26,500 | .02½ | .02½ | .02½ | .02½ |
| 1 | .18½ | .07½ | Grull Wihksne | 2,500 | .08 | .09 | .07½ | .08 |
| No | .05 | .00½ | Haida Gold | ...... | (.01 bid .01½ asked) | | | |
| 25c | .26 | .20 | Hecla Mining | ...... | (.25 Mar. 30) | | | |
| No | .13 | .03 | Hedley Sterling | 1,000 | .03 | .03 | .03 | .03 |
| No | .04½ | .02½ | Home Gold | 1,000 | .02½ | .02½ | .02½ | .02½ |
| 1 | .04½ | .02½ | Independence | ...... | (.03½ Feb. 11) | | | |
| 1 | .08 | .02½ | Indian Mines | ...... | (.02½ bid .03 asked) | | | |
| 50c | 1.18 | .65 | Island Mountain | 300 | .78 | .78 | .78 | .78 |
| 1 | .22½ | .21 | Inter'tl Coal | ...... | (.21 bid .25 asked) | | | |
| 50c | .06½ | .04½ | Inter'tl Gold | 10,000 | .05 | .05½ | .05 | .05 |
| 50c | .90 | .79 | Kootenay Belle | 9,000 | .80 | .88 | .79 | .86 |
| 20c | .07 | .01½ | Koot. Florence | 15,000 | .02½ | .02½ | .02 | .02 |
| 25c | .04½ | .01 | Kootenay King | 2,000 | .01½ | .01½ | .01½ | .01½ |
| 1 | .03½ | .00½ | Lakeview | 5,000 | .01½ | .01½ | .01½ | .01½ |
| 10c | .19½ | .06½ | Lucky Jim | 14,800 | .09½ | .09½ | .07½ | .08 |
| No | .07½ | .03 | Mak Siccar | 3,000 | .03 | .03½ | .03 | .03 |
| 50c | .02½ | .01 | Marmot Metals | 5,000 | .01 | .01½ | .01½ | .01½ |
| 1 | .19½ | .18 | McGillivray Creek | ...... | (.19 bid ... asked) | | | |
| 5c | .17 | .12 | Metaline | ...... | (.12 Mar. 16) | | | |
| No | .38 | .13½ | Minto Mines | 220,445 | .21½ | .22 | .13½ | .15½ |
| 1 | .05 | .01 | Morton Woolsey | 6,900 | .01½ | .01½ | .01 | .01 |
| 50c | .15½ | .05 | Nicola | 3,100 | .05½ | .05½ | .05 | .05 |
| 50c | .17 | .06 | Noble Five | 21,500 | .07 | .07 | .06½ | .06½ |
| 1 | 6.75 | 2.65 | Pend Oreille | 3,650 | 2.80 | 3.00 | 2.65 | 2.90 |
| No | .07½ | .03 | Pilot Gold | 4,500 | .04½ | .04½ | .03 | .03 |
| 1 | 6.75 | 4.00 | Pioneer Gold | 3,075 | 4.25 | 4.20 | 4.00 | 4.10 |
| 50c | .15 | .05 | Porter Idaho | 500 | .05½ | .05½ | .05½ | .05½ |
| No | .05½ | .02½ | Premier Border | 3,500 | .02½ | .02½ | .02½ | .02½ |
| 1 | 4.80 | 2.50 | Premier Gold | 4,400 | 2.55 | 2.55 | 2.50 | 2.50 |
| 1 | .15 | .03 | Quatsino Copper | 3,000 | .05 | .04½ | .04½ | .04½ |
| 25c | .17 | .08½ | Quesnelle Quartz | 5,108 | .08½ | .10 | .08½ | .08½ |
| 1c | .05½ | .02½ | Reliance | 31,600 | .03½ | .03½ | .02½ | .02½ |
| 1 | .37 | .19 | Relief Arlington | 7,950 | .22 | .23 | .20 | .20½ |
| No | 1.90 | .75 | Reeves McDonald | 4,300 | .90 | .93 | .80 | .83 |
| 1 | 1.31 | .85 | Reno Gold | 5,800 | .85 | .88 | .86 | .87 |
| 1 | .20½ | .06 | Reward Mining | 10,500 | .09½ | .09½ | .09 | .09½ |
| 1 | .09½ | .03 | Rufus Argenta | 2,500 | .03½ | .03½ | .03 | .03½ |
| 1 | .11½ | .03 | Ruth Hope | 2,000 | .03½ | .03 | .03 | .03 |
| 1 | .12 | .06 | Sally Mines | 2,000 | .06 | .08 | .08 | .08 |
| 50c | .15 | .08 | Salmon Gold | 1,500 | .09 | .08 | .08 | .08 |
| 50c | .83 | .58 | Sheep Creek | 5,200 | .77 | .78 | .77 | .78 |
| 1 | 3.20 | 3.00 | Sihak Premier | ...... | (2.40 bid ... asked) | | | |
| 25c | .14½ | .04½ | Silvercrest | ...... | (... bid .06 asked) | | | |
| 20c | .10 | .02½ | Silversmith | 11,100 | .03 | .02½ | .02½ | .02½ |
| 1 | .63 | .42 | Standard Silver | ...... | (.45 bid .50 asked) | | | |
| 1 | .75 | .20 | Sunloch | ...... | (.21 bid ... asked) | | | |
| 10c | 21.00 | 19.75 | Sunshine | ...... | (18.00 bid 19.00 asked) | | | |
| No | .13 | .06 | Taylor Bridge | 500 | .06½ | .06 | .06 | .06 |
| 1 | .14 | .08 | Taylor Windfall | ...... | (.10½ Apr. 29) | | | |
| No | 1.05 | .30 | Vidette Gold | 6,700 | .35 | .38 | .33 | .36 |
| No | .06½ | .01½ | Viking Gold | 15,000 | .02 | .02 | .01½ | .02 |
| 50c | .03 | .01 | Waverley Tangier | 4,000 | .01 | .01½ | .01½ | .01½ |
| 50c | .08½ | .03½ | Wayside | ...... | (.04 May 5) | | | |
| 20c | .13½ | .04 | Wellington | 8,000 | .05 | .04½ | .04½ | .04½ |
| 50c | .50 | .16 | Wesko | 21,000 | .18 | .20 | .16 | .20 |
| 1 | .42 | .11 | Whitewater | 21,800 | .12½ | .12½ | .11 | .11½ |
| No | .50 | .28 | Ymir Yankee Girl | ...... | (.28 bid .30 asked) | | | |
| | | | **OIL STOCKS** | | | | | |
| 1 | 1.09 | .26 | Alta. Pac. Cons. | 15,835 | .30½ | .35 | .30 | .34½ |
| 1 | .14½ | .06½ | Amalgamated | 11,500 | .08½ | .08½ | .08 | .08½ |
| 1 | .64 | .07½ | Anaconda | 7,550 | .16 | .17½ | .15 | .16 |
| No | .45 | .07 | Associated Oils | ...... | (.07½ bid .08 asked) | | | |
| No | .24 | .04½ | Baltac | 1,000 | .07 | .07 | .06½ | .06½ |
| 1 | 1.05 | .15 | Brit. Dominion | ...... | (.22 bid ... asked) | | | |
| No | 6.20 | 2.15 | Calgary & Ed. | 10,995 | 2.28 | 2.38 | 2.15 | 2.30 |
| 1 | 1.84 | .43 | Calmont | 3,440 | .50 | .58 | .54 | .56 |
| 1 | .90 | .26 | Commonwealth | 4,050 | .29 | .30 | .26 | .29 |
| 1 | .13 | .07 | Crow's Nest | 7,000 | .08 | .08½ | .07½ | .07½ |
| No | 3.55 | .71 | Dalhousie Oil | 2,250 | .84 | .80 | .75 | .79 |
| No | .24 | .05 | Devenish | 1,000 | .07 | .06½ | .06½ | .06½ |
| No | .45 | .13½ | East Crest | 2,000 | .16½ | .16 | .15½ | .16 |
| No | .96 | .25 | Foundation Pete | 4,500 | .29 | .26 | .25 | .26 |
| No | .44 | .09 | Freehold | 4,600 | .09½ | .09 | .09 | .09 |
| No | .40 | .10 | Hargal | 270 | .18½ | .18½ | .17 | .17 |
| No | .91 | .14 | High Sarcee | 900 | .21 | .20 | .19½ | .19½ |
| No | 4.10 | 1.50 | Home Oil | 2,330 | 1.71 | 1.70 | 1.60 | 1.68 |
| No | .88 | .21 | Lowery | 1,300 | .25 | .29 | .23 | .29 |
| No | .35 | .04½ | Madison | 18,000 | .09½ | .08½ | .08½ | .08½ |
| No | .50 | .15 | Marjon Oil | 4,200 | .20 | .18½ | .17½ | .18 |
| No | .78 | .18 | McD. Segur Ex. | 12,500 | .20½ | .20 | .18½ | .19 |
| 1 | 1.60 | .40 | McLeod | 140 | .55 | .45 | .40 | .40 |
| No | .83 | .22 | Mercury | 14,050 | .28½ | .27½ | .26 | .27 |
| No | .39 | .12 | Merland | ...... | (.11 bid .12 asked) | | | |
| No | .65 | .08 | Mid-West | ...... | (.10 bid .15 asked) | | | |
| No | .65 | .16 | Mill City Pete | 1,000 | .16 | .20 | .20 | .20 |
| 1 | 1.15 | .44 | Model | 2,900 | .48 | .49 | .45 | .46 |
| 25c | .25 | .23 | Monarch Royal | 2,000 | .24 | .25 | .25 | .25 |
| 5 | .48 | .16 | Nordon | 4,400 | .18 | .18 | .16 | .16½ |
| No | 4.00 | .85 | Okalta | 4,850 | 1.40 | 1.32 | 1.28 | 1.29 |
| No | .44 | .11½ | Pacalta Oil | 9,000 | .17 | .15 | .13½ | .14 |
| 1 | 1.50 | .28 | Ranchmen's | 42,300 | .29½ | .43 | .29 | .40½ |
| No | 59.00 | 34.00 | Royalite | 15 | 38.00 | 35.50 | 35.50 | 35.50 |
| No | 2.00 | .45 | Southwestern Pete | 300 | .60 | .65 | .65 | .65 |
| 1 | .75 | .25 | Spooner | ...... | (.25 bid ... asked) | | | |
| No | .73 | .16½ | United | 6,950 | .20 | .22 | .19½ | .22 |
| No | .38 | .05 | Vanalta | 4,200 | .09 | .09½ | .08 | .09½ |
| 1 | 3.05 | .95 | Vulcan | 945 | 1.19 | 1.20 | 1.10 | 1.20 |

## Municipal Bonds

| | Rate | Due | Bid | Ask. | Yld. |
|---|---|---|---|---|---|
| †Halifax | 5 | 1961 | 109.50 | 111.50 | 4.24 |
| Hamilton | 5 | 1950 | 107.00 | 110.00 | 4.00 |
| Montreal | 5 | 1945 | 103.25 | 104.75 | 4.30 |
| Ottawa | 4½ | 1945 | 105.25 | 107.25 | 3.50 |
| †Quebec | 5 | 1959 | 100.00 | 102.00 | 4.85 |
| Saint John | 5 | 1950 | 105.00 | 107.00 | 4.31 |
| †Toronto | 4½ | 1953 | 110.00 | 112.50 | 3.55 |
| †Vancouver | 5 | 1960 | 88.00 | 93.00 | 5.78 |
| Winnipeg | 5 | 1944 | 97.00 | 101.00 | 4.83 |

†Payable Can. and N.Y.

## Listed Bonds

Week Ended May 17, 1937

| | Int. rate | Due | High | Low | Range 1937 High | Low |
|---|---|---|---|---|---|---|
| Mtl. L. H. & P. Debs. | 3 | '39 | 50½ | 50½ | 50½ | 50½ |

## Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

May 17, 1937

| Public Utility Issues: | Int. Rate % | Due | Bid May 17 | Asked May 17 | Bid May 10 |
|---|---|---|---|---|---|
| ‡Assoc. Tel. & T. | 5½ | '55 | 83½ | 86½ | 83½ |
| ▲Avalon Tel. | 5½ | '48 | 101½ | ... | 101½ |
| Beauharnois P. | 5½ | '73 | 54½ | 57½ | 59 |
| ‡Bell Telephone | 5 | '55 | 114 | 117 | 113½ |
| ‡Do | 5 | '57 | 118 | 121 | 117½ |
| B. C. Power | 4½ | '60 | 95½ | 98½ | 95 |
| B. C. Tele. | 4½ | '61 | 103 | 106 | 102 |
| ‡Calgary Power | 5 | '60 | 95 | 98 | 95½ |
| †Can. Nor. Pwr. | 5 | '53 | 102½ | 105½ | 102½ |
| ‡Dom. Gas & El. | 6½ | '45 | 92 | 95 | 92 |
| ‡Gatineau Power | 5 | '56 | 100½ | 103½ | 100½ |
| ‡Do., A | 6 | '41 | 100½ | 103½ | 100½ |
| ‡Do., B | 6 | '41 | 100½ | 103½ | 100½ |
| Gt. Lakes Pwr. | 4½ | '56 | 92 | 95 | 92½ |
| ‡Inter Hydro-El. | 6 | '44 | 72 | 75 | 76½ |
| ‡Inter. Power | 6 | '57 | 98 | 101 | 98½ |
| ‡Do. | 6½ | '57 | 100 | 103 | 100½ |
| ▲Do | 6 | '55 | 100½ | 103½ | 101 |
| †Maclaren-Que. Power | 5½ | '61 | 96½ | 99½ | 97 |
| †Do. | 5½ | '64 | 96 | 99 | 96½ |
| †Mtl. Island Pr. | 5½ | '57 | 103 | 106 | 103 |
| †Mtl. L., H. & Pr. | 3½ | '56 | 97 | 100 | 97 |
| †Mtl. Tramways | 5 | '41 | 100½ | 103½ | 101 |
| †Do. | 5 | '55 | 79 | 82 | 79 |
| Nfld. L. & P. | 4½ | '56 | 98½ | 101½ | 99 |
| Nat'l. L. & P. | 6 | '49 | 95 | 98 | 95½ |
| N. S. L. & P. | 4 | '57 | 97½ | 100½ | 97½ |
| †Ot'wa L.H.&P. | 5 | '57 | 105½ | 108½ | 105 |
| †Ottawa Tract. | 5½ | '55 | 101½ | 104½ | 101½ |
| †Ottawa V. Pwr. | 5½ | '70 | 104 | 107 | 104 |
| †Power Corp. | 4½ | '59 | 99 | 102 | 99 |
| ‡Quebec Power | 5 | '68 | 103½ | 106½ | 103 |
| Saguenay Pr., B | 4½ | '66 | 101½ | 104½ | 101½ |
| *Do., A | 4½ | '66 | 99½ | 102½ | 99½ |
| †Shaw. W. & Pr. | 4 | '61 | 96 | 99 | 96 |
| †Do. | 4½ | '70 | 102 | 105 | 102 |
| †South. Can. Pr. | 5 | '55 | 102 | 105 | 102 |
| †United Secs. | 5½ | '52 | 72½ | 75½ | 72 |
| †West. Pwr. Co. | 5 | '49 | 104 | 107 | 104 |
| ‡Winnipeg Elec. | 4½ | '60 | 104 | 107 | 104 |
| ‡Do., A | 4 | '65 | 75 | 78 | 76 |
| ‡Do., B | 4 | '65 | 62½ | 65½ | 65½ |
| **Industrial and Realty Issues:** | | | | | |
| †Abitibi P. & P. | 5 | '53 | 98½ | 101½ | 102½ |
| Acadia Sugar | 4½ | '55 | 100 | 103 | 101½ |
| †Alta. Pac. Gr. | 6 | '46 | 97½ | 100½ | 98½ |
| Asbestos Corp. | 5 | '42 | 100½ | ... | 100½ |
| B. A. Oil | 4 | '45 | 102 | 105 | 101 |
| Canada Bread | 6½ | '41 | 107 | 110 | 107 |
| †Canada Cement | 4½ | '51 | 102 | 105 | 101½ |
| †Canada Paper | 4½ | '52 | 95 | 98 | 95½ |
| Can. Steamship | 6 | '41 | 66 | 69 | 68 |
| Can. Canners | 4 | '51 | 97½ | 100½ | 98 |
| Can. Bakeries | 6½ | '45 | 100 | ... | 100 |
| ‡Can. Inter. Pap. | 6 | '49 | 100½ | 103½ | 100½ |
| C. P. R. | 3½ | '51 | 99 | 102 | 99½ |
| Do. | 4 | '49 | 102 | 105 | 102 |
| Do. | 4½ | '44 | 101 | 104 | 101 |
| Do. | 4 | Perp. | 92 | 94⅞ | 93⅞ |
| †Can. Vickers | 6 | '47 | 96½ | 99½ | 97½ |
| †Consol. Paper | 5½ | '61 | 86 | 89 | 89 |
| ‡Dominion Coal | 6 | '55 | 100½ | 103½ | 100½ |
| Dom. Sq. Corp. | 6 | '48 | 71½ | 74½ | 73 |
| ▲Dom. Stl. & C. | 6½ | '55 | 104 | 107 | 106½ |
| Dom. Tar | 4½ | '51 | 99 | 102 | 98½ |
| Dom. Textile | 4½ | '55 | 106 | 109 | 106 |
| †Donnacona P. | 4-4½ | '56 | 81 | 84 | 81½ |
| †Eastern Dairies | 6 | '49 | 80½ | 83½ | 83 |
| †Famous Players | 4½ | '51 | 96 | 99 | 96 |
| †Federal Grain | 6 | '49 | 100½ | 103½ | 100½ |
| †Fraser Cos. | 6 | '50 | 102½ | 105½ | 103 |
| †Gen. St. W. | 4½ | '52 | 95 | 98 | 95 |
| Great Lakes P. | 5 | '55 | 92½ | 95½ | 92½ |
| †Gypsum, L & A | 5½ | '48 | 101 | 104 | 101½ |
| †Gr. Br. & Can. Invest. | 4½ | '59 | 87 | 90 | 87½ |
| Hamilton Cot. | 5½ | '48 | 103 | ... | 103 |
| Ham. By-Prod. Coke | 5 | '55 | 98 | 101 | 98 |
| Do. | 6 | '56 | 97 | 100 | 97½ |
| †Inter. Paper | 6 | '55 | 97 | 100 | 97 |
| †Inter. P. & P. Nfld. | 5 | '68 | 102½ | 105½ | 103 |
| Inter City Bak. | 5½ | '48 | 103½ | 106½ | 103 |
| Inter-City West. Bakeries | 6½ | '50 | 54½ | 57½ | 55 |
| †Kingston Elev. | 6 | '50 | 98½ | 101½ | 98½ |
| Lake St. John P. & P. | 5½ | '61 | 99½ | 102½ | 100 |
| Do. | 5 | '61 | 79½ | 82½ | 81½ |
| †Lond. Can. Inv. | 4½ | '48 | 94½ | 97½ | 95 |
| †Maple L. Mill. (Bundles) | 5½ | '49 | 80 | 83 | 82 |
| †Massey-Harris | 5 | '47 | 96½ | 99½ | 97½ |
| †McColl-Front. | 6 | '49 | 102 | 105 | 102 |
| †Mercury Mills | 5½ | '53 | 78½ | 81½ | 78½ |
| †Mersey Paper | 6 | '49 | 99 | 102 | 99½ |
| ‡M. & O. Paper | 6 | '45 | 68½ | 71½ | 73 |
| Mtl. Dry Docks | 6 | '48 | 91 | 94 | 91 |
| Nat'l Grocers | 4 | '47 | 100 | 103 | 100 |
| †N. A. Elevators | 6 | '50 | 96 | 99 | 96½ |
| Nor. Ont. Bldg. | 6½ | '39 | 98½ | 101½ | 98½ |
| †Price Bros. | 5 | '57 | 98½ | 101½ | 99 |
| ‡Prov. Paper | 5½ | '47 | 102 | 105 | 103 |
| Queen's Hotel | 6 | '47 | 100 | ... | 100 |
| ‡Reliance Grain | 4½ | '52 | 97 | 100 | 96 |
| †Restigouche Co. | 6 | '48 | 113½ | 116½ | 113½ |
| Rich. Bay Bldg. | 6½ | '47 | 100½ | 103½ | 100½ |
| †Rolland Paper | 4½ | '51 | 102½ | 105½ | 103 |
| Ruddy & Co. | 6½ | '48 | 98 | 101 | 98 |
| †Simpsons Ltd. | 4½ | '51 | 92½ | 95½ | 93 |
| †Smith, Howard | 4½ | '51 | 102 | 105 | 102 |
| †Steel of Canada | 6 | '40 | 110½ | 113½ | 110½ |
| Sterling Coal | 6 | '40 | 92½ | ... | 92½ |
| Stop & Shop | 6 | '47 | 73 | 77 | 73½ |
| *Twin City | 5½ | '52 | 79½ | 82½ | 81½ |
| United Amuse. | 5 | '56 | 98½ | 101½ | 98½ |
| United Corp. | 5 | '53 | 98 | 101 | 98 |
| Unit. Grain Gr. | 5 | '48 | 94 | 97 | 93½ |
| Do. | 5½ | '49 | 96 | 99 | 96 |
| Union Gas | 4½ | '50 | 95½ | 98½ | 96 |
| ▲Wabasso Cot. | 4½ | '51 | 95 | 98 | 95 |
| †Western Grain | 6 | '49 | 77 | 80 | 76½ |
| Windsor Hotel | 6½ | '43 | 80 | 83 | 80 |
| Do. | 6 | '47 | 40 | 43 | 40 |
| Zimmerknit | 6 | '51 | 100 | 103 | 98 |

‡Payable in Can. or U. S. †Payable in Can., U. S. or U. K. ▲Payable in Can. or U. K. *Payable in U. S. only.

## Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

May 18, 1937

| Industrial Stocks: | Bid | Asked |
|---|---|---|
| Acme Farmers Dairy, pfd. | 50.00 | 55.00 |
| Algoma Steel, com. | 16.75 | 17.50 |
| Do., pfd. | 82.00 | 84.00 |
| Andian Nat. | 50.00 | .... |
| Assoc. Tel., pfd. | 45.25 | 48.00 |
| B. C. Pulp & Paper, pfd. | 75.00 | 80.00 |
| Do., com. | 16.00 | 18.50 |
| Brandram-Henderson, com. | 3.75 | 4.25 |
| Do., pfd. | 16.00 | .... |
| Burns & Co., A | 14.50 | 15.50 |
| Do., B | 6.00 | 6.75 |
| Can. Tube & Steel, 1st pfd. | 78.00 | .... |
| Do., com. | 9.5 | 10.00 |
| Can. Wire & Cable, pfd. | 113.50 | 116.00 |
| Can. Airways | 7.00 | 8.00 |
| Can. Industries, A com. | 233.00 | .... |
| Can. Ingersoll Rand | 130.00 | 135.00 |
| Can. Western Lumber, com. | 1.50 | 1.75 |
| Can. Westinghouse | 64.50 | 66.50 |
| Chase, A. W., pfd. bonus | 27.00 | .... |
| Claude Neon Gen. Adv., pf. | 14.75 | 15.50 |
| Conduits Nat., com. | 5.00 | 6.00 |
| Crescent Creamery, pfd. | 37.00 | 39.00 |
| Dom. Found. & St., new com. | .... | 20.00 |
| Do., pfd. | 97.00 | 99.00 |
| Dominion Woollens, com. | .65 | 1.00 |
| Do., pfd. | 2.00 | 3.00 |
| Dunlop Tire, pfd. | 83.00 | 87.00 |
| Federal Grain, com. | 4.50 | 4.75 |
| Do., pfd. | 44.50 | 46.00 |
| Goderich Elevator | 7.50 | 8.25 |
| Greening Wire, pfd. | 104.00 | 106.00 |
| Guelph Carpet, pfd. | 106.00 | 107.00 |
| Do., com. | 25.50 | 27.00 |
| Hayes Steel Prod., com. | 11.50 | 12.50 |
| Do., pfd. | 8.25 | 9.25 |
| Highland Dairy, com. | 1.50 | 2.25 |
| Lake St. John, com. | 53.00 | 54.00 |
| Lake Sulphite Pulp, com. | 21.25 | 22.00 |
| Loblaw's Inc. (U.S.) Units | 72.00 | .... |
| McCormick's, com. | 4.50 | 5.00 |
| Do., pfd. | 12.50 | .... |
| Morrison Brass, pfd. bonus | 13.00 | 16.50 |
| Mount Royal Hotel, pfd. | 3.50 | 4.25 |
| New Meth. Laund., pf. bon. | 91.00 | .... |
| Perfection Pete., pfd. | 21.00 | 24.00 |
| Provincial Paper, pfd. | 106.50 | 107.50 |
| Reliance Grain, pfd. | 97.50 | 99.00 |
| Robinson Consol. Cone | 10.00 | 11.00 |
| Ruddy, E. L., pfd. | 35.00 | 40.00 |
| Seal O Sac (Can.) | 15.00 | 18.00 |
| Silverwoods Dairies, pfd. | 4.25 | .... |
| Stand. Fuel, com. | 6.00 | 7.00 |
| Do., pfd. | 100.00 | 103.00 |
| Supert Petrol., B pfd. | 26.00 | 28.00 |
| Toronto Carpet, com. | 50.00 | .... |
| Do., pfd. | 52.00 | .... |
| United Steel, A pfd. | 18.00 | 19.00 |
| Western Grain, pfd. bonus | 10.50 | 13.00 |
| Weston (Geo.) Foods (Eng.) | 2.50 | 3.00 |
| Wings Limited | 1.20 | 1.80 |
| **Trusts and Loan Stocks:** | | |
| Chartered Trust | 94.00 | .... |
| Commercial Finance, com. | 2.70 | 2.90 |
| Guelph Ont. Inv., par $50 | 50.00 | 53.00 |
| London & West. Trust | 54.00 | 59.00 |
| Prudential Trust | 5.00 | .... |
| Sterling Trust | 40.00 | .... |
| Traders Fin., A com. | 22.00 | .... |
| Do., B pfd. bonus | 96.00 | 99.00 |
| Trusts & Guarantee | 31.00 | 32.50 |
| **Insurance Stocks:** | | |
| Canada Life | 530.00 | 545.00 |
| Canadian Ins. Shares | 16.00 | 18.00 |
| Confederation Life, 20% pd. | 113.00 | 116.00 |
| Dominion Fire | 133.00 | .... |
| Dom. of Can. Gen. | 132.00 | 140.00 |
| Empire Life, 25% pd. | 11.75 | 13.00 |
| Federal Fire, 25% pd. | 40.00 | .... |
| Fidelity Ins. of Can. | 51.00 | .... |
| Great West Life | 315.00 | 330.00 |
| Guar. of N.A., fully pd. | 280.00 | 300.00 |
| Imperial Life | 345.00 | 355.00 |
| Manufacturers Life | 250.00 | 260.00 |
| Monarch Life, 10% pd. | 22.00 | 23.75 |
| Sovereign Life, 25% pd. | 15.00 | 17.50 |
| Sun Life | 665.00 | 680.00 |
| Western Assurance, com. | 50.00 | 54.00 |
| Do., pfd. | 40.00 | 43.50 |
| **Theatre Stocks:** | | |
| Allens Kingston, pfd. | 63.00 | 71.00 |
| Do. Parkdale, pfd. | 66.00 | .... |
| Do. St. Catharines, pfd. | 64.00 | .... |
| Do. Tor., pfd. bonus com. | 28.00 | 32.00 |
| Loew's London, pfd. | 2.40 | 2.90 |
| Do. Toronto, pfd. | 114.00 | 120.00 |
| Mansfield Theatre, pfd. | 30.00 | 34.00 |
| Paramount Kitchener, pfd. | 60.00 | 70.00 |
| Do. Oshawa, pfd. | 90.00 | .... |
| United Amusement, A | 26.25 | 28.00 |
| Do., B | 28.00 | 29.00 |
| **Investment Trust Shares:** | | |
| Can. Gen. Invest. Ltd. | 9.80 | 10.20 |
| Can. Investment Fund | 4.40 | 4.75 |
| Can. Investors Corp. | 9.25 | 10.00 |
| Cons. Div. Std. Sec. Units | 23.00 | 25.00 |
| Invest. Found., pfd. bonus | 63.00 | 66.00 |
| Lon. Can. Invest., com. | 5.00 | 5.25 |
| Sec's. Hold. Corp., pfd. bonus | 24.00 | 25.50 |
| United Corpns., A | 25.00 | 26.00 |
| Do., B | 25.00 | 27.00 |
| **Power Issues:** | | |
| Can. West. Nat. Gas, pfd. | 90.50 | 93.00 |
| Do., com. | 26.00 | .... |
| Foreign Power Sec's., pfd. | 11.25 | 13.00 |
| Great Lakes Power, pfd. | 98.00 | 100.00 |
| Inter. Util., $1.75 pfd. | 17.00 | 18.00 |
| Montreal Island Pwr., pfd. | 20.00 | 20.50 |
| New Brunswick Tele., com. | 13.50 | 14.50 |

## Public Utility Earnings

Southern Canada Power

| April: | 1937 $ | 1936 $ |
|---|---|---|
| Gross revenue | 194,142 | 177,845 |
| Less: Expenses | 83,743 | 74,277 |
| Net revenue | 110,399 | 103,568 |
| Less: Interest, deprec. & divds. | 108,926 | 107,479 |
| Surplus | 1,473 | *3,911 |

*Deficit.

| 7 Months Ended April: | | |
|---|---|---|
| Gross revenue | 1,330,178 | 1,258,350 |
| Less: Expenses | 546,126 | 514,009 |
| Net revenue | 784,052 | 744,341 |
| Less: Interest, deprec. & divds. | 765,436 | 759,028 |
| Surplus | 18,616 | *14,687 |

*Deficit.

## Unlisted Mines

May 18, 1937

| | Bid | Asked |
|---|---|---|
| Alden G. | .. | .17 |
| Albany R. | .41 | .43 |
| Algold | .30 | .31 |
| Alsbach | .05 | .07 |
| Altura | .25 | .27 |
| Am. Gold | .. | .22 |
| Armistice | .16 | .18 |
| Arno | .03 | .03½ |
| Athona | .18 | .20 |
| Arrowhead | .. | .35 |
| Area | .02 | .03 |
| Augite | .18 | .20 |
| Ballor | .03 | .04 |
| Barber Lake | .14 | .16 |
| Bathurst | .03 | .03½ |
| Big Master | .06½ | .08 |
| Bidla'que | .15 | .18 |
| Big L. Lac | .03 | .04 |
| Bilmac | .15 | .18 |
| Baldwin | .02½ | .03 |
| Brengold | .10 | .12 |
| Bousquet | .02½ | .03 |
| Cuniptau | .08 | .09 |
| Cald. Bous. | .09 | .10 |
| Cal. Flin Flon | .06 | .08 |
| Can. Pan. | .10½ | .11 |
| Can. Kirk. | .02 | .03 |
| Cand'laca | .41 | .44 |
| Casey Con. | .01 | .02 |
| Centre'er | .. | .25 |
| Chest'vle | .. | 1.55 |
| Coin Lake | .12 | .14 |
| Condor O. I. | .06 | .07 |
| Con. Kirk. | .29 | .31 |
| Cooke Lake | .. | .40 |
| Cres. Kirk. | .06 | .08 |
| Dawson | .15 | .16 |
| Dem. Cad. | .20 | .22 |
| Den. Nick. | .48 | .51 |
| Desantis | .. | .40 |
| Doreva | .34 | .30 |
| Dunlop N. | .07½ | .08½ |
| El Bonanza | .11 | .12 |
| Electra | .13 | .15 |
| Eva Lake | .. | .10 |
| Faulkenham | .. | .36 |
| Fernland | .17 | .20 |
| Fleming | .23 | .25 |
| Franklin | .01¼ | .02¼ |
| Frontier | .15 | .17 |
| Garnet | .03 | .04 |
| Gate Pat. | .06 | .08 |
| Gilbec | .03 | .03½ |
| G. Range | .04½ | .05½ |
| Goldside | .04 | .04½ |
| Gold Gate | .40 | .43 |
| G. Lebel | .13 | .16 |
| Hud. Pat. | .04 | .05 |
| Hislop | .10 | .13 |
| Horseshoe | .03 | .04 |
| Hut. Lake | .16 | .18 |
| Hugh Pm. | .19 | .22 |
| John Nip. | .04½ | .05½ |
| Kaw Crow | .10 | .13 |
| Kenecho | .11 | .13 |
| Kenricia | .. | .55 |
| Kew'gama | .42½ | .43 |
| Kirk. Vit. | .16 | .18 |
| Kirk Hunton | .02½ | .02¾ |
| King Kirk. | .02½ | .03 |
| Kirk Gat. | .12 | .. |
| Lafayette | .03 | .03½ |
| L. Geneva | .00 | .03 |
| Lamaque | 7.00 | 7.25 |

UNLISTED MINES—(Continued)

| | Bid | Asked |
|---|---|---|
| Lardego | .07 | .09 |
| McQuaig | .. | .15 |
| Magnet | .11 | .13 |
| Mag. Con. | .26 | .31 |
| Mal. Gold | .32 | .35 |
| McNeely | .05 | .07 |
| Mar. Bird | .76 | .78 |
| Margaret | .37 | .38 |
| Maritime A. | .24 | .27 |
| Mat. Can. | .14 | .16 |
| Moffatt N. | .08 | .10 |
| McFarlane | .08½ | .09 |
| McC. Webb | .25 | .28 |
| McVittie | .05 | .06 |
| Monarch | .. | .15 |
| Mooshla | .24 | .27 |
| Mosher | .38 | .39 |
| New Roull | .28 | .33 |
| North Shores | .03½ | .04 |
| Nor. Min. | .. | .15 |
| Norlake | .09 | .11 |
| Oklend | .19 | .21 |
| O'Leary | .10 | .12 |
| Opem. Cop. | .17 | .20 |
| Oriole | .09½ | .10½ |
| Ossian | .03½ | .04½ |
| Osoyoos | .45 | .50 |
| Pascalis | .25 | .28 |
| P. McNabb | .07 | .09 |
| P. United | .10 | .12 |
| Por. Lake | .. | .36 |
| Potter D. | .02½ | .03½ |
| P. G. Reef | .02½ | .03½ |
| Triumph | .. | .21 |
| P. Rouyn | .10 | .12 |
| Pelangio | .16 | .19 |
| Prop'try | 1.90 | 2.00 |
| Que'mrte | .17 | .19 |
| Que. Man. | .68 | .72 |
| Rajah | .22 | .25 |
| Richmac | .. | .50 |
| Ribago | .03¾ | .04¼ |
| Roeanor | .12 | .14 |
| Ronda | .. | .19 |
| Rouyn | .05½ | .07 |
| Rubec | .04 | .04½ |
| Sand River | .23 | .27 |
| Schreiber | .09 | .11 |
| Schenango | .17 | .19 |
| Silver Valley | .11 | .13 |
| Skookum | .12 | .14 |
| Siscoe E. | .. | .24 |
| Smelters | .03½ | .04½ |
| Spooner | .18 | .20 |
| Sturgeon River | .29 | .32 |
| Springer | .12 | .14 |
| Straw L. B. | .. | .17 |
| Sudlac | .13 | .15 |
| Sun Bear | .25 | .27 |
| Tonawanda | .05 | .06 |
| Uchi Lake | .75 | .85 |
| Upper Can. | .55 | .58 |
| Wascana | .17 | .19 |
| Valloc | .06 | .08 |
| Wells | .05 | .07 |
| Williamson | .07 | .08 |
| Wesley | .. | .12 |
| Westside | .07 | .08 |
| West R. Lake | .04½ | .05½ |
| Wendigo | .17 | .19 |
| W. Horse. | .11 | .13 |
| Winoga | .13 | .15 |
| Woco | .. | .17 |
| Young D. | .16½ | .18 |
| Ypres C. | .13 | .16 |

## Government Bonds

**Dominion of Canada Bonds**

| May 19, 1937 | | Bid | Ask. | Approx. Yld. |
|---|---|---|---|---|
| ‡5½ | 1 Dec. '37 | 102.35 | 102.75 | ... |
| 2¾ | 15 Oct. '39 | 102.00 | 102.50 | 1.45 |
| 4 | 15 Oct. '39 | 105.50 | 106.00 | 1.50 |
| 2 | 15 Nov. '39 | 101.00 | 101.50 | 1.40 |
| 1½ | 1 June '40 | 99.75 | 100.50 | 1.33 |
| 4½ | 1 Sept. '40 | 108.00 | 108.50 | 1.82 |
| 1 | 15 Mar. '41 | 97.25 | 98.00 | 1.54 |
| 5 | 15 Nov. '41 | 110.50 | 111.00 | 2.40 |
| 3 | 15 Oct. '42 | 103.15 | 103.65 | 2.28 |
| 2½ | 1 June '43 | 100.75 | 101.25 | 2.28 |
| 5 | 15 Oct. '43 | 111.50 | 112.00 | 2.93 |
| 4½ | 15 Oct. '44 | 109.25 | 109.75 | 3.02 |
| ■2½ | 15 Aug. '45 | 98.75 | 99.25 | 2.60 |
| 4 | 15 Oct. '45 | 105.50 | 106.00 | ▲2.96 |
| 4½ | 1 Feb. '46 | 109.00 | 109.50 | 3.23 |
| 3¾ | 15 Oct. '49 | 101.25 | 101.75 | ▲3.23 |
| 4 | 15 Oct. '52 | 105.15 | 105.65 | ▲3.35 |
| 3 | 1 June '55 | 95.25 | 95.75 | 3.31 |
| 4½ | 1 Nov. '56 | 108.00 | 108.75 | ▲3.41 |
| 4½ | 1 Nov. '57 | 108.00 | 108.75 | ▲3.50 |
| 4½ | 1 Nov. '58 | 108.65 | 109.15 | ▲3.52 |
| 4½ | 1 Nov. '59 | 109.00 | 109.50 | ▲3.55 |
| ■3¼ | 15 Jan. '61 | 98.75 | 99.25 | 3.29 |
| 3¼ | 1 June '66 | 95.65 | 96.15 | 3.46 |
| ♦3 | Perp. bds. | 86.65 | 87.15 | 3.44 |

**Dominion Guaranteed Bonds**

Canadian National Railway:

| | | Bid | Ask. | Yld. |
|---|---|---|---|---|
| 3 | 1 May '44 | 100.75 | 101.75 | 2.72 |
| 3 | 15 Dec. '50 | 96.00 | 97.00 | 3.27 |
| 3 | 15 Feb. '53 | 95.00 | 96.00 | 3.32 |
| *4½ | 1 Sept. '51 | 111.75 | 112.75 | 3.37 |
| *4½ | 1 Feb. '56 | 112.00 | 113.00 | 3.55 |
| †4½ | 1 July '57 | 111.00 | 112.00 | 3.65 |
| *4¾ | 15 June '55 | 114.00 | 115.00 | 3.61 |
| 5 | 1 Feb. '54 | 115.00 | 116.00 | 3.72 |
| *5 | 1 July '69 | 114.50 | 115.50 | ▲3.19 |
| *5 | 1 Oct. '69 | 116.25 | 117.25 | ▲3.60 |

**Provincial Government Bonds**

| | | Bid | Ask. | Yld. |
|---|---|---|---|---|
| **New Brunswick:** | | | | |
| 4 | 1 Sept. '54 | 100.00 | 102.00 | 3.84 |
| †4½ | 15 Apr. '61 | 104.00 | 106.00 | 4.10 |
| †5 | 15 Jan. '60 | 110.00 | 112.00 | 4.18 |
| **Nova Scotia:** | | | | |
| 3 | 2 Sept. '45 | 96.00 | 98.00 | 3.27 |
| 4½ | 15 May '43 | 104.00 | 105.50 | 3.47 |
| †4½ | 15 Sept. '52 | 106.00 | 107.00 | ▲3.69 |
| †5 | 1 Mar. '60 | 113.50 | 115.00 | 4.00 |
| **Ontario:** | | | | |
| *3 | 1 Dec. '51 | 94.00 | 95.50 | 3.39 |
| *4 | 1 June '62 | 104.00 | 105.50 | 3.66 |
| 4½ | 1 June '50 | 109.00 | 110.00 | 3.55 |
| *4½ | 15 Jan. '62 | 110.00 | 112.00 | 3.75 |
| 5 | 15 Oct. '48 | 112.75 | 113.75 | 3.53 |
| *5 | 2 Dec. '60 | 117.00 | 118.50 | 3.82 |
| 5½ | 1 July '46 | 114.75 | 115.75 | 3.46 |
| **Ont. Hydro Comm.:** | | | | |
| 3½ | 1 Apr. '47 | 100.75 | 101.75 | 3.29 |
| 4¾ | 1 Jan. '70 | 113.00 | 114.50 | 3.96 |
| **Prince Edward Island:** | | | | |
| 3 | 1 Oct. '45 | 96.00 | 98.00 | 3.27 |
| **Quebec:** | | | | |
| 4 | 15 Mar. '52 | 103.00 | 105.00 | 3.57 |
| 4¼ | 1 Aug. '58 | 107.50 | 109.25 | 3.62 |
| 4½ | 2 Jan. '63 | 109.00 | 110.50 | 3.86 |
| **Alberta:** | | | | |
| 4 | 15 Dec. '54 | 57.00 | 60.00 | § |
| †4 | 1 Dec. '57 | 57.00 | 60.00 | § |
| 4½ | 1 Oct. '51 | 69.00 | 72.00 | § |
| †4½ | 1 Oct. '56 | 60.00 | 61.50 | § |
| †5 | 1 Jan. '48 | 63.00 | 65.00 | § |
| 5 | 1 Sept. '55 | 62.00 | 64.00 | § |
| *5 | 1 Oct. '59 | 62.00 | 64.50 | § |
| †5½ | 1 Jan. '47 | 62.50 | 64.50 | § |
| 6 | 1 Mar. '47 | 67.00 | 69.00 | § |
| **British Columbia:** | | | | |
| †4 | 1 Dec. '57 | 91.25 | 92.50 | 4.57 |
| *4½ | 15 Jan. '51 | 97.25 | 98.25 | 4.66 |
| †4½ | 1 Oct. '53 | 96.25 | 97.25 | 4.74 |
| †5 | 15 Jan. '48 | 99.25 | 100.25 | 4.97 |
| 5 | 1 Sept. '53 | 99.50 | 100.50 | 4.95 |
| 5½ | 1 Feb. '45 | 100.25 | 101.25 | 5.30 |
| 6 | 15 Feb. '47 | 102.25 | 103.25 | 5.57 |
| **Manitoba:** | | | | |
| 4 | 2 Jan. '50 | 87.00 | 88.00 | 5.28 |
| †4 | 1 Dec. '57 | 87.00 | 88.00 | 4.94 |
| †4½ | 15 Dec. '56 | 89.50 | 90.50 | 5.28 |
| †5 | 15 June '54 | 95.00 | 97.00 | 5.26 |
| *5 | 2 Dec. '59 | 94.00 | 96.00 | 5.31 |
| 5½ | 1 Oct. '55 | 94.00 | 96.00 | 5.85 |
| 6 | 1 Apr. '47 | 98.00 | 99.50 | 6.06 |
| **Saskatchewan:** | | | | |
| 4 | 15 Aug. '53 | 78.50 | 80.00 | 5.95 |
| 4 | 1 Nov. '60 | 76.25 | 77.25 | 5.78 |
| *4½ | 2 July '45 | 89.50 | 90.50 | 6.00 |
| †4½ | 1 Oct. '51 | 90.25 | 91.25 | 5.37 |
| †4½ | 15 Mar. '60 | 82.50 | 84.00 | 5.76 |
| 5 | 1 Aug. '58 | 86.25 | 87.25 | 6.07 |
| †5½ | 15 Nov. '46 | 90.00 | 92.00 | 6.65 |
| 5½ | 1 Oct. '52 | 88.50 | 90.00 | 6.53 |
| 6 | 15 Mar. '52 | 94.00 | 94.75 | 6.55 |

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. ■Payable N.Y. ‡Exempt from Dominion income tax. ♦Callable on or after Sept. 15, 1966. §Traded flat. Interest being paid at 50% of coupon rate; minimum rate 2%. •Calculated to maturity, although callable prior to that date.

## Mining Dividends

| | Rate | Close May 17 | Yield % |
|---|---|---|---|
| Anglo-Huronian | 20c | 5.55 | .. |
| Beattie Gold | †5c | 1.22 | .. |
| Bralorne | 40c+15c | 6.50 | *8.4 |
| Buffalo Ankerite | 50c+5c | 9.00 | *6.1 |
| Bulolo Gold | ‡1.50 | 26.00 | .. |
| Cariboo | 10c | 1.55 | 6.4 |
| Central Patricia | 4c | 2.90 | .. |
| Coniagas | 12½c | 2.85 | .. |
| Cons. Smelters | $1+$1 | 76.00 | .. |
| Dome Mines | $2+$2 | 39.75 | *10 |
| Falconbridge | 30c | 7.75 | 3.9 |
| Hollinger | 65c+45c | 11.00 | *10 |
| Howey Gold | 2c | .36½ | .. |
| Hudson Bay | ‡75c | 29.00 | .. |
| Island Mountain | ‡10c | .78 | .. |
| Int. Coal & Coke | ‡1c | .21 | .. |
| Inter. Nickel, com. | $2 | 58.50 | 3.4 |
| Inter. Mining | 30c | 12.00 | .. |
| Kerr Lake | 5c | .35 | .. |
| Kirk. Lake | ‡3c | 1.36 | .. |
| Lake Shore | $4+$1 | 51.50 | *9.7 |
| Lava Cap M. | 2c | .75 | .. |
| Little Long Lac | 20c | 5.25 | .. |
| Macassa | 15c | 4.95 | 3 |
| McIntyre | $2 | 34.00 | 5.9 |
| McKenzie Red Lake | 4c | 1.20 | .. |
| McKinley Sec. | 5c | .60 | .. |
| McWatters Gold | 5c | .50 | .. |
| Noranda | $3 | 60.00 | .. |
| Nor. Can. Mining | 2c | .80 | .. |
| Nipissing | 25c | 2.35 | .. |
| Placer Develop. | ‡60c | 17.00 | .. |
| Premier | 12c+1c | 2.59 | *5 |
| Pioneer, B.C. | 40c | 4.00 | 10 |
| Pickle Crow | §5c | 5.90 | .. |
| Reno | 12c | .88 | 13.6 |
| San Antonio | 7c | 1.50 | .. |
| Sheep Creek | 8c | .78 | 10.2 |
| Siscoe | 20c+1c | 3.85 | *5.4 |
| Sudbury Basin | 10c | 4.25 | .. |
| Sullivan Cons. | †2½c | 1.30 | .. |
| Sylvanite | 20c+5c | 3.10 | *8 |
| Teck-Hughes | 40c+5c | 5.00 | *9 |
| Toburn | 8c | 2.15 | 3.7 |
| Ventures | 2½+2½c | 1.77 | .. |
| Wright-Harg. | ♦40c+20c | 6.40 | *9.4 |

‡Interim. †Initial.
*Yield includes bonus.
♦Includes 10c. interim paid Feb. 1 and extra of 10c.
§In addition the company has declared an increased dividend of 10 cents per share payable June 30, 1937.

## Winnipeg Stocks

(Transactions from May 8 to May 17)

| | Sales | High for period | Low for period | Close May 17 |
|---|---|---|---|---|
| B'ver Lumber, c. | 72 | 5.25 | 5.00 | 5.00 |
| Cres. Cream., p. | 10 | 37.00 | 37.00 | 37.00 |
| Flin Flon | 2,000 | .08 | .07½ | .07½ |
| Gt. Falls M. | 4,700 | .13 | .10 | .10 |
| Gold Lake | 3,000 | .03 | .03 | .03 |
| Gurney Gold | 3,700 | .44 | .39 | .39 |
| Globe Ry'lts | 300 | .18 | .17 | .17 |
| Herb Lake | 500 | .17 | .17 | .17 |
| Monarch Life | 15 | 24.00 | 24.00 | 24.00 |
| Northern Mtge. | 10 | 2.00 | 2.00 | 2.00 |
| Monarch G. M. | 250 | 1.40 | 1.25 | 1.25 |
| Ore Grande | 5,500 | .06½ | .04½ | .04½ |
| Packsack | 1,000 | .13 | .13 | .13 |
| Sachigo | 240 | 19.25 | 17.50 | 17.50 |
| Star Lake | 3,000 | .02½ | .02½ | .02½ |
| United Grain | 34 | 10.00 | 10.00 | 10.00 |
| Wpg. R. Tin | 18,800 | .02¼ | .02 | .02 |
| Wylie Dom. | 700 | .32 | .30 | .30 |
| Wingold | 5,000 | .05 | .05 | .05 |
| Wings, Ltd. | 50 | 1.60 | 1.60 | 1.60 |
| West. Breweries | 20 | 1.25 | 1.25 | 1.25 |

**Stocks Not Traded in During Week***

| | Bid | Asked |
|---|---|---|
| Beaver Fire Insurance | .. | 100 |
| Can. Indemnity | 125 | .. |
| Dom. Envelope, | 3⅛ | 4 |
| Do., pref. | 98 | 99 |
| Federal Grain, pfd. | 43 | .. |
| Home Invest. | 20 | 25 |
| Northern Can. Mtge., pf. | 3 | .. |
| Traders Bldg. | 92 | .. |
| West. Steel, pf. | 8 | 12 |

*Stocks more active on other exchanges not included.

## Investment Trusts

| | Bid | Asked |
|---|---|---|
| Can. Amer. Trust | 4.55 | 4.75 |
| Can. Invest. Fund | 4.40 | 4.78 |
| All Can. Trustee | 14.25 | 14.75 |
| Trans-Canada | ... | 14.95 |
| Grouped Income Ex. | 6.15 | 6.75 |
| Can. Equity | 13.50 | .... |
| Can. Int. Tr., modified | 6.12 | 6.62 |
| Do., unmodified | 5.75 | 6.25 |

## Foreign Bonds

Foreign dollar bonds in which there is Canadian investment interest are mostly quoted in New York. While space does not permit complete quotations on the numerous issues, the following are representative:

| | | | 1937 High | 1937 Low | Close May 17 |
|---|---|---|---|---|---|
| Argentine, A | 6% | '57 | 102¾ | 101 1/32 | 101 1/32 |
| Argentine | 6% | '60 | 102¾ | 101 1/32 | 101¼ |
| Argentine | 6% | '61 | 102¾ | 101 | 102 |
| Australian | 5% | '55 | 110½ | 104¾ | 108⅝ |
| Brazil | 6½% | '57 | 47⅛ | 35 | 36 |
| Buenos A (Prov.) | 6% | '61 | 103 | 97¾ | 101 |
| Buenos Aires | 6% | '61 | 88¾ | 82½ | 87¼ |
| Chile Rep. | 6% | '61 | 24⅛ | 18⅝ | 20¾ |
| Colombia | 6% | '61 | 38 | 29 | 29 |
| German Govt. | 5½% | '65 | 28 | 20½ | 28 |
| German (stamped) | 7% | '49 | 33½ | 27⅛ | 31½ |
| Italy | 7% | '51 | 93½ | 80 | 86½ |
| Japan | 5½% | '65 | 85¾ | 79½ | 83⅝ |
| Norway | 4½% | '56 | 104¼ | 101½ | 103¾ |
| Peru Nat. L'n | 6% | '60 | 26 | 18⅝ | 18½ |
| San Paulo | 6% | '68 | 34½ | 24 | 24 |
| San Paulo | 7% | '56 | 35¼ | 25 | 25¼ |
| Serbs, C. & S. | 8% | '62 | 31⅞ | 25½ | 28¼ |
| Uruguay | 6% | '60 | 70 | 63⅝ | 66¼ |

## Dividends Declared

| | This payment | Date payable | Date of record |
|---|---|---|---|
| Agnew-Surpass, pf. | $1.75 | July 2 | June 15 |
| Aluminium, pfd. | $1.50 | June 1 | May 15 |
| Do., arrears | $3.75 | June 1 | May 15 |
| Andian National | $1+$1 | June 1 | May 20 |
| Anglo Huronian | 20c | June 1 | May 15 |
| Bk. of Nova Scotia | $3 | July 2 | June 15 |
| Barkers Bread, c. | 8c | June 1 | May 20 |
| Brazilian Tr., ord. | 50c | July 10 | May 31 |
| Biltmore Hats, pfd. | $1.75 | June 15 | May 15 |
| Bright, T. G. | 7½c | June 15 | May 29 |
| Do., pref. | $1.50 | June 15 | May 29 |
| Bulolo Gold | $1.50 | June 10 | May 19 |
| Bk. Can. Nationale | $2 | June 1 | May 15 |
| Borden Co. | 40c | June 1 | May 15 |
| Bk. of Toronto | $2.50 | June 1 | May 15 |
| Bk. of Montreal | $2 | June 1 | Apr. 30 |
| Beattie Gold | 5c | June 1 | May 15 |
| B. A. Oil | 25c | July 2 | June 16 |
| Can. Bk. of Comm. | $2 | June 1 | Apr. 30 |
| Canadian Oil, pref. | $2 | July 1 | June 19 |
| Cosmos Imp., pref. | $1.25 | July 15 | June 30 |
| Celanese of Amer., part. pfd. | $3.50 | June 30 | June 15 |
| Corr. Paper Box, pf. | $1.75 | June 1 | May 15 |
| Crow's Nest Coal | $3 | June 1 | May 7 |
| Canada Malting | 37½c | June 15 | May 31 |
| Canada Vinegars | 30c | June 1 | May 15 |
| Can. W. & Cable, pf. | $2 | June 18 | May 31 |
| Can. For. Invest. | 40c | July 1 | May 15 |
| Do., extra | 40c | July 1 | May 15 |
| Do., pref. | $2 | July 1 | May 15 |
| Catelli Food | 25c | May 31 | May 21 |
| Do., pref. | 38c | May 31 | May 21 |
| Canada Cement, pf. | $1 | June 21 | May 31 |
| Can. Int. Inv. Tr., pfd. | $1.25 | June 1 | May 15 |
| Dominion Bank | $2.50 | July 2 | June 19 |
| Dom. Scott. Inv., pf. | $1.75 | June 1 | May 20 |
| Do., arrears | 25c | June 1 | May 20 |
| Dominion Coal, pf. | 38c | July 2 | June 15 |
| Dom. & Anglo Inv., pref. | $1.25 | June 1 | May 15 |
| Do., on arrears | $1.25 | June 1 | May 15 |
| Dome Mines | 50c | July 20 | June 30 |
| Do., extra | $2 | July 20 | June 30 |
| Electrolux | 40c | June 15 | May 14 |
| Do., extra | 10c | June 15 | May 14 |
| Ford Motor | 25c | June 19 | May 29 |
| Hudson Bay M. | †75c | June 28 | May 28 |
| Inter. Nickel, com. | 50c | June 30 | June 1 |
| Imperial Oil | 25c | June 1 | May 14 |
| Do., extra | 37½c | June 1 | May 14 |
| Inter. Petroleum | 75c | June 1 | May 21 |
| Do., extra | 50c | June 1 | May 21 |
| Do., pref. | 75c | June 1 | May 21 |
| Do., extra | 50c | June 1 | May 21 |
| Inter. Mining, com. | 15c | June 21 | May 31 |
| Kelvinator, pfd. | $1.75 | May 15 | May 14 |
| Kerr Lake M. | 5c | June 18 | June 3 |
| Kirkland L. G. | 3c | June 1 | May 8 |
| Loblaw, A & B | 25c | June 1 | May 10 |
| Do., extra | 12½c | June 1 | May 10 |
| Lake of Woods Mill, pfd. | $1.75 | June 1 | May 15 |
| Lake Shore Mines | $1 | June 15 | June 1 |
| Do., extra | $1 | June 15 | June 1 |
| Laura Secord | 75c | June 1 | May 15 |
| McIntyre-Porc. | 50c | June 1 | May 1 |
| McKenzie R. Lake | 4c | June 15 | June 1 |
| McKinley Min. Sec. | 2½c | June 1 | May 15 |
| McColl-Fron. | 10c | June 15 | May 15 |
| Nor. Can. Mining | 2c | June 1 | May 8 |
| Nat. Biscuit, pf. | $1.75 | May 29 | May 12 |
| N. S. Light & Pr. pfd. | $1.50 | June 1 | May 15 |
| Ogilvie Flour, pfd. | $1.75 | June 1 | May 21 |
| Pioneer Gold | 10c | July 2 | June 1 |
| Placer Develop. | †60c | June 10 | May 19 |
| Provincial Bank | $1.50 | June 1 | May 15 |
| Rolland Pap., pref. | $1.50 | June 1 | May 15 |
| Royalite Oil | 50c | June 1 | May 15 |
| Do., extra | 25c | June 1 | May 15 |
| Royal Bank | $2 | June 1 | Apr. 30 |
| Regent Knit., pf. | 40c | June 1 | May 15 |
| Reinhardt Brew. | *15c | June 1 | May 15 |
| Sec. Can. Int. Inv. pref. | *10c | June 1 | May 15 |
| Stuart, D. A., pf. | 20c | June 1 | May 17 |
| Sher.-Williams, pf. | $‡1.75 | July 2 | June 15 |
| Sullivan Cons. M. | 2½c | June 15 | May 31 |
| Sylvanite Gold | 5c | June 30 | May 22 |
| Stand. Steel, A pf. | 75c | July 1 | June 15 |
| Do., arrears | 75c | July 1 | June 15 |
| Vulcan Oils | 5c | June 15 | June 1 |
| United Amuse., A, B | 30c | May 31 | May 15 |
| Toronto Elev., pref. | 66c | June 7 | May 22 |
| Tuckett Tob., pfd. | $1.75 | July 15 | June 30 |
| Union Gas | 15c | June 15 | May 22 |
| Walker-G. & W., pf. | 25c | June 15 | May 21 |
| Do., com. | 50c | June 15 | May 21 |
| Weston, Geo., c. | 20c | July 2 | June 19 |

†Interim. *Initial. ‡On arrears.

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**Week in Wheat**

# Crop Deterioration Strengthens Markets

### Overseas Demand for Canadian Wheat Improves as Crop Prospects on This Continent and Abroad Diminish

From Our Own Correspondent

WINNIPEG.—A combination of bullish factors brought about the sharp up-turn in wheat prices at the beginning of this week, just as a combination of bearish factors had been responsible for the preceding decline. The long expected demand for Canadian wheat in quantity appeared from Europe, was signalized, not only by actual shipments overseas last week in excess of 4.5 million bushels, but also by much buying for later delivery.

At this rate a sharp reduction in Canadian carryover is to be expected before the end of the crop year.

Concurrently with the appearance of this overseas demand there was revealed important deterioration in United States winter wheat prospects. Present conditions indicate a loss of perhaps 50 million bushels from anticipated production at the beginning of the month. Continuation of unsatisfactory moisture conditions in a large part of the spring wheat area on both sides of the international boundary has also been noted.

A heavy total North American crop is now almost definitely impossible. Outlook for the European wheat harvest is also reported less favorable.

A bearish factor is seeding of increased wheat acreages in both Australia and Argentina. While lack of rainfall is causing some worry in Argentina, Australia is reasonably well satisfied with moisture conditions.

### Future Clearing

One of the surprises of the recent market trend has been the narrowing of spreads between cash wheat and May and July futures, on the one hand, and the October future. All have gone down at Winnipeg from the highs which prevailed about the beginning of April, but the decline in the nearer deliveries has been about twice that in the October future.

The explanation is that the expected scarcity of old crop wheat to be exported before the end of the current crop year did not develop nearly as quickly as anticipated, while at the same time the outlook for the new crop has been impaired by long continued drought over a large part of the wheat acreage in southwestern Saskatchewan and southern Alberta.

The situation may again be sharply reversed if western rains come soon enough, and if export shipments of Canadian wheat continue heavy in June. One indication of the present state of affairs is indicated in the large quantities of wheat being delivered daily through the clearing house on the May contract, while at the beginning of the month cash wheat was closely held and no deliveries were made.

### Local Crop Optimism

A high degree of apprehension about the western Canadian crop is at present being discounted by the wheat market. Liverpool, Chicago and New York, as well as continental markets, have been getting daily reports about the need for moisture over a large part of the Canadian wheat belt. Advices from those centres indicate a much greater degree of pessimism prevailing with regard to the outcome of the Canadian crop than exists in western Canada. In the West the natural hopefulness of the people is reinforced by records of experience, summed up in the phrase that no crop has ever yet been lost in the month of May. June rains, if sufficiently copious, and if the weather remains moderately cool, can do much to put a better outlook on the situation.

While wheat seeding has been practically completed, in isolated localities some small areas will continue to be seeded up to the end of the present week. Immediate rain would probably result in some land in southwestern Saskatchewan being seeded to wheat which otherwise will be left alone this year, or perhaps be seeded later to oats.

# Marketing Picture Completely Changed

In a little over 12 months certain fundamental factors in the world wheat buying picture have been completely reversed. For the time being at least markets seem assured of adequate supplies. Large scale buying has disappeared.

A year ago there was little if any possibility of any immediate shortage developing. True the Argentine had recently harvested one of the poorest crops on record and United States was on a small net importing basis. But Canada then had stocks of old wheat in store of approximately 200 million bushels.

### Canada's Opportunity

With the small Argentine crop quickly absorbed by early spring the world was prepared to buy generously of Canada's reserve but was not prepared to pay any famine prices. The urge was modified by the fact that conditions were favorable throughout most of the great winter wheat areas of the southwestern United States. And prospects in the northern spring wheat areas and in Canada at that time were not yet critical. In fact a normal crop of 350 to 400 million bushels for Canada was predicted up to as late as the first week in July.

But as a result of this light Argentine supply in 1936, Chairman James Murray of the Canadian Wheat Board was able to liquidate smoothly the unwieldy carryover he had inherited in December of 1935. For the four months ended July 31, 1936, he had little difficulty in getting rid of about 85 million bushels or an average of over four million bushels per week.

### Good Prospects

Now this spring, with total world supplies the lowest in nearly 10 years wheat exporters in Canada are having difficulty in maintaining average weekly shipments of two million bushels. And it begins to look as if there will be a carryover of 50 million bushels in Canadian elevators at the end of the crop year next July 31.

But while the position of actual wheat reserves—that is, wheat in store and not in prospect—is admittedly more serious than at this time last year, nervousness of a few months ago has almost completely disappeared. The answer lies largely in the recent Argentine crop and in the winter wheat acreage in the United States.

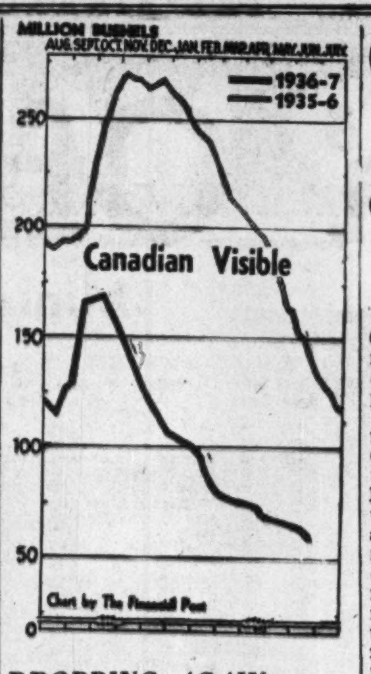
The Argentine crop this season was a big one, and was larger than expected even up to a few weeks before harvesting commenced last winter. Moreover it was marketed or rather exported across the Atlantic with almost record speed.

During the rush of these shipments there was little opportunity for Canada to unload what had then become no more than a normal surplus. Now practically all this Argentine wheat has been moved to Europe, but it has not all been digested. It is certain that terminals in Italy, Germany, Britain and other European points still hold considerable quantities. Perhaps buyers in those countries believe they have now enough of this wheat in store to last until new fall-winter wheat shipments commence from the U.S. southwest next month.

### Plenty Until Fall

At any rate European importers do know that there is a record winter wheat acreage in United States and conditions there now practically guarantee at least a fair crop. This development explains the recent downward trend of wheat prices, and the levelling of the spread between cash or early future wheat and futures for October.

Spring wheat in the northern United States and in the Canadian west, has also entered the picture now but not to the extent that may be expected a few weeks hence. Prospects are by no means certain. Moisture will be needed to bring large areas along. This situation is reflected in the comparatively better prices of October futures that prevail at the present time. The increasing certainty of fair yields in United States, the holding of large quantities of Argentine in storage abroad, assure fairly steady supplies until next fall. From then on the spring wheat crops in United States, Canada and Europe must take up the burden.



### DROPPING AGAIN

A sharp pick-up in overseas selling of Canadian wheat last week sent Canadian visible supply of wheat in store down below 65 million bushels.

Details in bushels follow:

| Week of May 14 | Week Previous | Last Year |
|---|---|---|
| 64,150,000 | 68,325,000 | 184,406,000 |

**Export Clearances***

| Week of May 14 | Week Previous | Last Year |
|---|---|---|
| ‡ | 2,545,324 | 4,833,105 |

*Plus U. S. imports.
‡Not available, but unofficially estimated at 4.5 millions.

# Old Oat Deal To Be Aired

### Grain Commission to Fix Responsibility For Loss

From Our Own Correspondent

REGINA.—The Turgeon Grain Commission is to investigate the now famous oat futures transactions during its present sittings at this point.

These transactions were initiated for the account of the Saskatchewan Government, and carried on under the administration of John I. McFarland, in connection with his wheat stabilization operations guaranteed by the Dominion Government. Through a misunderstanding or error, or for other cause, they resulted in a loss of several hundred thousand dollars. Payment of the amount in question has been refused by the Saskatchewan Government. The commission is to determine responsibility.

**Breathing Spell**

The commission, which opened its Regina sittings late last week, is expected to be in session here until the end of the month. After that, an adjournment of at least two months is predicted before sessions are resumed at Winnipeg.

A large number of farmer witnesses are scheduled to appear, both in favor of and in opposition to, a compulsory wheat board. In addition to having these the commission is to investigate certain transactions.

# Toronto Elevators Offers to Pay Sarnia

### Legislature Must Give Approval Before Debt to City is Paid

Negotiations for the settlement of the liability of Toronto Elevators, Ltd., and its subsidiary, The Sarnia Elevator Co., to the city of Sarnia have been suspended for the present. This action was taken after the city had agreed to accept the company's offer of $590,775 in full payment of the balance owing on the agreement of sale under which the Sarnia elevator was sold to the company by the city in 1928.

It is understood that legislative approval is necessary before any agreement between the city of Sarnia and the company can be validated. City council has therefore rescinded its resolution accepting the company's offer. At the same time it has indicated its willingness to receive further proposals looking toward the ultimate disposition of the city's interest in the Sarnia elevator.

**Negotiations Started in March**

On March 24, 1937, the Sarnia city council conferred with J. A. Smith, manager of the Sarnia Elevator Co. An offer was made by Mr. Smith on behalf of the company to pay $579,697, including interest to April 15. The company later agreed to pay an additional $10,000 to compensate the city for the loss of interest between the 5% rate now paid on its debentures and the lower rate that would be received from the investment of the cash received from the company. This offer was later increased to $580,775, plus the bonus of $10,000, to discharge the debt as at May 1, 1937.

It is understood that Toronto Elevators would have used a portion of the $775,000 cash received through the sale of the 5¼% preferred stock early in 1937. While the proposal to use this money to pay the city of Sarnia debt has had to be postponed, the company will be able to reduce its bank loans, effecting a reduction in interest charges.

## Grocery Firm Cuts Arrears

Directors of National Grocers Co. have declared a dividend of $3.50 a share on account of arrears of dividends on the preference stock. This payment will be made June 1, 1937, to shareholders of record May 25.

After this payment, arrears of dividends on the 7% preference stock will be reduced to $28 a share. A similar amount was paid June 1, 1936.

# Copper Output Hits New High

### Production Jumps During First Quarter of 1937

Reflecting a heavier demand and consequently increased price, world smelter production of copper rose to a new high during the first quarter of 1937.

For the first three months the daily production average hit 4,392 tons, as against 3,577 tons for the last quarter of 1936, 3,188 tons for the third quarter and 3,300 tons for the 12 months of 1936.

Figures released by the American Bureau of Metal Statistics set the 1935 daily average at 3,322 tons. Canadian production for the first quarter of this year was up 12% from 48,300 tons to 53,200 tons. The total production from the mines of the Belgian Congo, Rhodesia and the Union of South Africa jumped sharply to 97,500 tons, compared with 78,800 in the final quarter of 1936.

**Foreign Output**

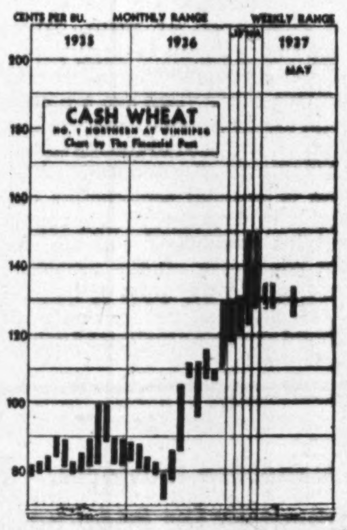
Mexico's production for the first three months of this year more than doubled, rising from 5,600 tons to 12,900 tons, and Chilean output showed a 70% increase, from 83,800 tons in the last quarter of 1936 to 115,000 tons in the first quarter of this year.

World production from ore and scrap copper reached a total of 251,740 tons in April, as against 204,383 tons in March. World stocks of refined copper fell 25,068 tons to 283,363 tons in April, the lowest level in many years. Blister stocks, however, gained 23,931 tons in the same period, net decline in world stocks, blister and refined, being 1,137 tons.

Of interest to Canadian copper producers is the probability that leading foreign members of the copper cartel will arrange to keep production down if the supply appears to be rising too rapidly. Production from Noranda and Hudson Bay was at sub-normal level last year at the time other foreign producers were curtailing their output.

It is clear that members of the cartel will not allow production to increase disproportionately.

## Wheat Prices



CASH WHEAT
NO. 1 NORTHERN AT WINNIPEG
Chart by The Financial Post

(Cash Quotations)

| | For Week May 18 High | For Week May 18 Low | Prev. Week High | Prev. Week Low |
|---|---|---|---|---|
| 1 Man. Hard | 1.35¼ | 1.26⅝ | 1.33⅝ | 1.28⅞ |
| 1 Northern | 1.35¼ | 1.26⅝ | 1.33⅝ | 1.29¼ |
| 2 Northern | 1.32⅝ | 1.23⅞ | 1.30⅝ | 1.26½ |
| 3 Northern | 1.30¾ | 1.21⅛ | 1.27⅛ | 1.23 |
| 4 Northern | 1.26 | 1.17¾ | 1.24¾ | 1.20¼ |
| 5 Wheat | 1.21¼ | 1.12⅝ | 1.18⅞ | 1.15¼ |
| 6 Wheat | 1.14¼ | 1.05⅝ | 1.11⅜ | 1.08¼ |
| Feed Wheat | .90¼ | .81⅝ | .84¾ | .81¼ |
| **Vancouver:** Week to May 17: | | | | |
| 1 Northern | 1.25⅛ | 1.21⅝ | 1.28⅝ | 1.24¼ |

**Competitive Export Prices:**

| May shipments— | Week to May 14 High | Low |
|---|---|---|
| No. 1 Nortn. (afloat) | unquoted | |
| No. 1 North. (Atlan.) | 1.48⅝ | 1.45½ |
| No. 2 U. S. Hard* | unquoted | |
| No. 2 North. (Atlan.) | 1.47 | 1.43¼ |
| West Australian (afloat) | 1.40⅞ | 1.38⅝ |
| Australian | 1.40⅛ | 1.37⅞ |
| Argentine Rosafe† | 1.40⅞ | 1.37⅛ |
| Indian (new crop)† | 1.38⅝ | 1.37⅛ |

†June shipment. *August.

### Winnipeg Grain Futures

Week to May 18, 1937

| Crop year from Aug. 1, 1936 High | Low | | Open May 11 | High for week | Low for week | Close May 18 |
|---|---|---|---|---|---|---|
| | | **Wheat** | | | | |
| 1.51⅝ | 1.05⅝ | May | 1.29 | 1.35¼ | 1.25⅞ | 1.35¼ |
| 1.47 | 1.03¾ | July | 1.27⅛ | 1.33⅝ | 1.24⅛ | 1.33¼ |
| 1.31¼ | 1.04⅛ | Oct. | 1.17 | 1.23⅝ | 1.15¾ | 1.23¼ |
| | | **Oats** | | | | |
| .63⅝ | .42¼ | May | .54⅛ | .57⅜ | .54¼ | .57⅝ |
| .60¾ | .43⅝ | July | .51⅝ | .53⅝ | .51¼ | .53⅝ |
| .54¾ | .42¼ | Oct. | .46 | .46 | .44⅛ | .45⅞ |
| | | **Barley** | | | | |
| .88⅞ | .50⅞ | May | .... | .72⅝ | .69 | .72⅛ |
| .82⅛ | .56¾ | July | .67 | .69 | .64 | .68⅞ |
| .75¼ | .51 | Oct. | .54⅝ | .56¼ | .51⅞ | .56⅛ |
| | | **Flax** | | | | |
| 2.03⅛ | 1.60¼ | May | .... | 1.75¼ | 1.68⅝ | 1.75¼ |
| 2.05 | 1.63¼ | July | 1.73 | 1.76 | 1.68¾ | 1.76 |
| 2.01 | 1.68 | Oct. | 1.72¾ | 1.75 | 1.68 | 1.75 |
| | | **Rye** | | | | |
| 1.21¼ | .62⅝ | May | 1.15 | 1.18⅝ | 1.11 | 1.18⅝ |
| 1.19 | .78¼ | July | 1.08½ | 1.09 | 1.03 | 1.08¼ |
| 1.04⅛ | .83 | Oct. | .89 | .89 | .84⅛ | .89¼ |

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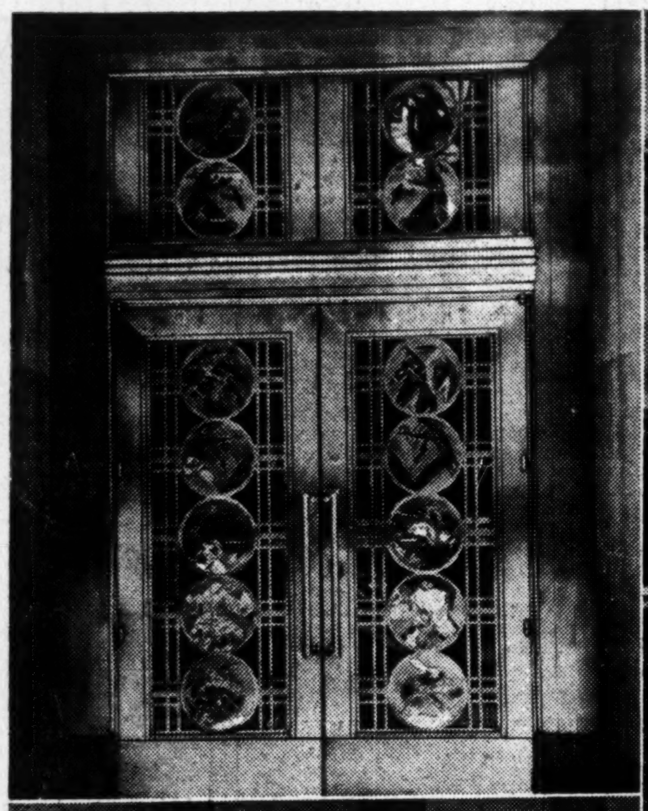
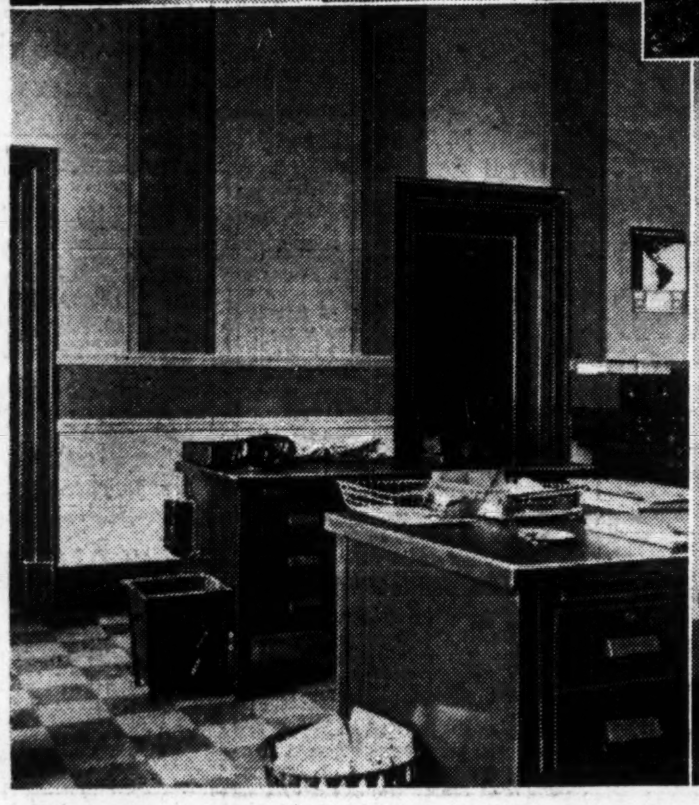
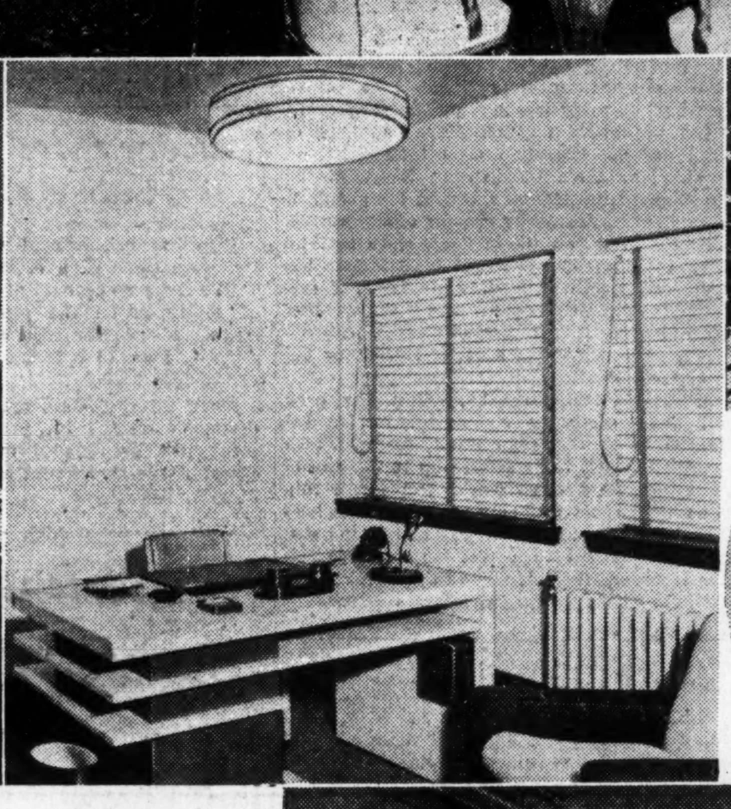
# The Modern Office . . .

## Traditional or in the Style of Tomorrow, Today's Offices Combine New Features of Decoration, Utility and Health in Keeping with a Streamline Business Age





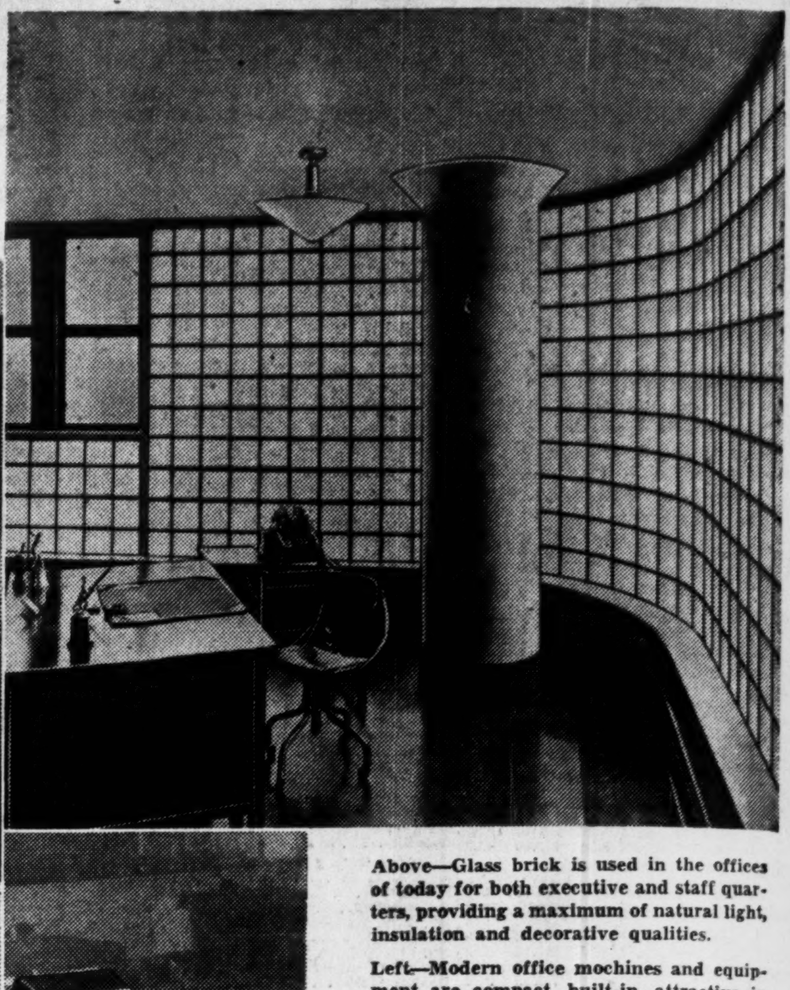


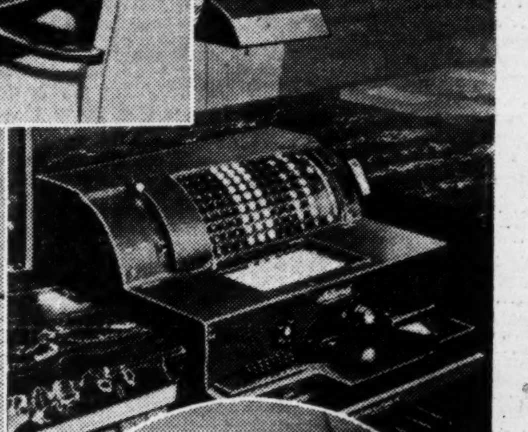
**Top left — Grille work and symbolical decorations representing industry, finance and mining are features of the modern office doorway of nickel stainless steel at Toronto's new stock exchange.**

**Lower left—Impressive in its simplicity is the modern treatment of office walls with the use of fibreboard panels and baseboards.**

**Top centre—Modern board-rooms display an air of quiet dignity and rich appointments with both overhead and wall lighting arrangement.**

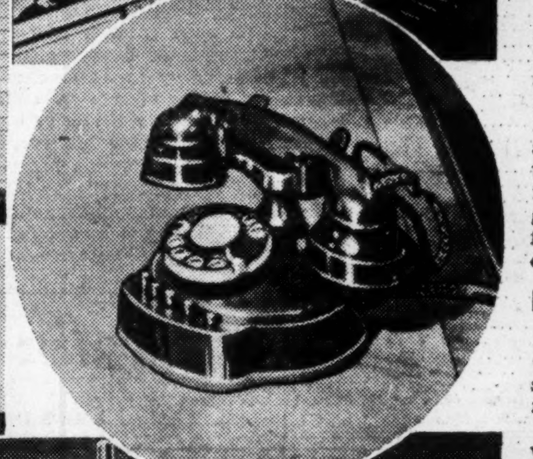
**Lower centre—Ultra modern is the executive office finished in light coloring, two-colored furniture and utilizing the latest type of modern lighting with Venetian blinds.**

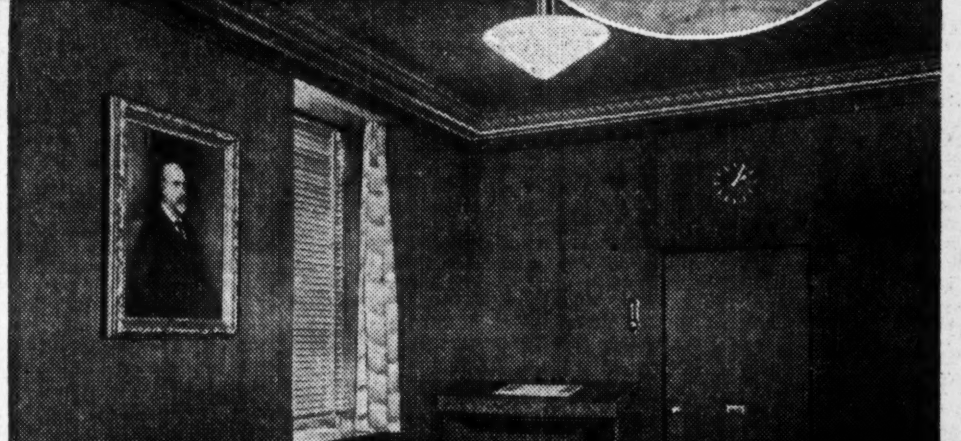




**Above—Glass brick is used in the offices of today for both executive and staff quarters, providing a maximum of natural light, insulation and decorative qualities.**

**Left—Modern office machines and equipment are compact, built-in, attractive in design and economical in reducing the time necessary for handling cash and records of transactions.**





**Two types of modern telephone installation are shown— (above) the combined inter-office communication system operated by a row of buttons on the base of the ordinary cradle-type telephone instrument and (lower) an executive office using up-to-the-minute methods of communication, lighting and air-conditioned ventilation.**

GIVE your office the 30 seconds blindfold test.

It may reveal something as startling as the difference between a fine Havana cigar and the smell of cooked cabbage.

Lean back in a comfortable, leather upholstered swivel chair that yields gently to your weight . . . or does it threaten to upset with a jerk and leave you on the floor?

Close your eyes on a scientifically lighted, glass-brick enclosed scene of neutral color, tastefully designed furniture and thick-napped Oriental rugs . . . or is the darkness a relief from glaring lights and clashing hues of cheap paint?

Take a deep breath in an air-conditioned atmosphere, neither cold nor hot, moist nor dry . . . or do your lungs and throat smart to the taste and smell of cinders and smoke-laden summer air that starts the perspiration rolling?

Then listen to the ticking of your watch . . . or do you hear the clatter of worn-out typewriters, a clanking bookkeeping machine, the crash and roar of street traffic or the harsh ring of an outdated communications system through flimsy walls and partitions?

To complete the test, reach for your telephone and, still "blindfolded," press one of the half dozen buttons on it to communicate the result of the test to the staff . . . or have you knocked over the inkstand reaching for the wrong telephone among the three or four instruments cluttering up your desk?

IF YOU can score 100% satisfaction from these tests, and you have experienced neither mental nor physical annoyance in the process, you have a modern office. If your staff can make an equally successful test, the chances are you are getting full value for the dollars spent on payrolls and office mechanical equipment. Your sick list should be small and the brains you hire should be at peak efficiency from 9 a.m. to 5.30 in the afternoon.

As far removed from the obsolete office as a desk set from a quill pen, the modern office is a combination of artistry and mechanical perfection, designed to free executives and staff from a hundred petty annoyances that interfere with their most important equipment—healthy nerves, bodies and brains. It has the psychological effect on staff, customers and clients of a well tailored suit of clothes and it is equally smart and unobtrusive.

### Attractive Simplicity

IN A streamlined business age the trend in office design is distinctly toward simplicity, but not at the cost of attractive design and surroundings. Mechanical aids to office comfort and efficiency are not in evidence. Instead the air-conditioning system, lighting, water-cooling and other installations are either built-in or located at central points with ducts and outlets scarcely noticeable in the office itself.

The decorative scheme of executive offices no longer disguises radiators and other appurtenances but rather it concentrates on a pleasing atmosphere of dignified simplicity in which light colors or light woods are strikingly evident in the newest offices of Canadian executives.

Typical is the executive office with beige walls, of wallboard or other material, containing an electric fireplace over which a bas-relief is placed. Light is reflected to the ceiling from an overhead fixture and draperies of natural homespun hang at windows fitted with Venetian blinds. An Oriental rug or rust colored carpet may be on the floor, with desks and chairs of brown leather and walnut.

Or walls may be of natural wood, panelled, with bracket lighting fixtures, but relatively few are the older style offices with wood panelled walls of dark hue. A still further adaptation is the ultra modern glass brick-walled office of more functional style, but both this type and the light colored walls of wood or plaster are designed for the primary purpose of giving a maximum amount of natural light, without shadows.

### Functional Furniture

FURNITURE is taking on a distinctive character in the modern office, both for executive and staff use. Severely functional is the solid type of desk with rounded corners, in light colored wood, containing a stenographer's arm-rest extending directly from the front of the desk. Flat topped, the desk itself appears as a solid block from the front and beside it is the telephone table.

Nor is the new type of office furniture confined to executive offices. Adaptations of the matched desks and furniture are available for general office use at costs below those of the more costly types. Such equipment is now built to scientific heights and working angles. The use of new nickel, chromium, monel metal and wood materials ensure lasting appearance and strength. Filing cabinets, the newer types of calculating and bookkeeping machines, noiseless typewriters and other equipment are fast replacing the cumbersome and easily damaged office equipment of another day.

### Communication Systems

STRIKING advances are being made in office inter-communication. One leading radio concern has introduced a system of private inter-communication at a cost of little more than $50 for a main unit and two stations. It is capable of extension to any number of offices or rooms. Instant two-way communication is possible without using a switchboard. Speech is private, in an ordinary tone of voice, and it can be made as loud or as quiet as desired by turning a control similar to the volume control of a radio. Conferences among half a dozen or more executives in different offices can also take place over this new type of inter-office 'phone which uses neither mouthpiece nor earphones.

Another sign of the modern trend in telephone communication is the incorporation of inter-office telephone installations into a single 'phone, for outside or inside conversations. On the base of a single telephone is a row of buttons giving instant communication with other 'phones in the office system.

### Low Cost Scientific Lighting

LIGHTING experts long ago discovered that poor lighting is the principal cause of normal office personnel inefficiency, and notable advances are being made in correcting faulty lighting equipment. Efforts are directed toward obtaining maximum light efficiency at minimum cost to the consumer and under present accepted standards 20-foot candles is the minimum amount of light necessary for ordinary office tasks compared with the five-foot-candle semi-direct stage of yesterday's lighting standards. To meet present requirements, lighting experts are developing new methods of localized lighting in offices as well as sources of sufficient overhead light without glare and consequent eyestrain.

Savings in electric lighting costs are being made by the same methods that are increasing lighting efficiency through continual research into economical methods, utilizing the newest materials and designs. Ingenious installations for separate desks are being developed; for conference rooms, the elimination of direct and reflected glare is sought. In drafting rooms the elimination of shadows is obtained by other methods. All, however, are contributing to the saving of eyesight, increased staff efficiency and in many cases actual savings for the consumer in the form of adequately designed lighting services to meet particular office needs.

### Silent Offices

OF NO less importance are the strides made in elimination of noise. Silent typewriters are among the increasingly necessary parts of office equipment, but acoustic qualities unknown a few years ago are coming into general use by means of floor, ceiling and wall materials, designed to deaden sound. Offices have benefitted in this connection from the experience of hospital construction and manufacturers of wallboards can now supply highly decorative wallboard suitable for office use but containing all the acoustical qualities that result in the quiet of hospital corridors. Floor material, ceilings and walls of low-cost, sound absorbing wallboard, which also has a high insulating value, are seen in scores of newer Canadian offices. Panelling, planking or squares are obtainable in these materials for office use.

New materials available for modern office installation range over a wide field. Glass brick is used extensively for walls in the United States and demand for the improved type of insulating, light-producing glass brick is growing in Canada. Not suitable for sustaining walls, these bricks are nevertheless pleasing as a decorative feature and highly efficient in connection with air-conditioning installations, since they may replace window openings and thus add to the efficiency of the air-conditioning unit.

### Metals Widely Used

HAVE you noticed the prevalence of white metal in the modern office?

The reason is that new materials developed from nickel, chromium and monel metal and their alloys are being used for lighting fixtures, furniture, ashstands, counters, rails and a score of other purposes involved in designing the office of the future.

Beauty and usefulness are combined to an amazing extent in the newer uses of white metal, maintenance costs are non-existent and providing the proper metal is used for the proper purpose in a well chosen design, there is no limit to the useful life of the installation. The steel-like strength of monel metal is making its use increasingly popular for elevator designs, banking quarters, office grillwork and in lighting fixtures. Check-desks, counter screens for brokers' offices, and even waste baskets are now being made from various types of monel metal.

Nickel silver is another metal widely used for office purposes. This metal varies in nickel content from 8% to 30% and is available as "white metal," "silver bronze" and "nickel bronze." It consists of copper, zinc and nickel, the nickel content varying according to requirements of color, resistance to corrosion, form and cost. The color varies from a soft white in the case of a high nickel content to a pale yellow, which develops as the nickel content is lowered. The metal may be given a fine polish or a satin or semi-blasted finish, suitable for use in offices for decorative or utilitarian purposes.

### New Office Machines

PRIMARILY utilitarian, the newer designs of office machines also conform to the streamlined motive of desks, furniture and fittings.

There is, for example, a new office machine which will record and completely control all transactions, including cash, 30-day charge sales, refunds and miscellaneous entries affecting customers and stores which sell merchandise on a deferred payment basis.

Another provides a complete accounts receivable system, posts accounts by the dual method and produces original and duplicate statements in detail with the original ledger record in skeleton. Mixed batches of debits and credits, such as charges, cash, credits, merchandise credits, refunds, etc., may be posted by this system without pre-sorting. Typewriting-bookkeeping machines have been vastly improved in the last two or three years, designed anew for speed and ease of operation, and to meet the speeded pace of business recovery.

### Air-Conditioning

NOT NEW, but representing a cumulative series of improvements, office air-conditioning today has reached its highest point of development in the huge air-conditioning installation in the Victory Building, Toronto.

The largest operation of its kind in Canada and believed to be the largest in the British Empire, each of the twenty floors of the building will have an air-conditioning system of its own. Adapted to the requirements of large, small and medium-sized offices, the units during the summer will draw 11.5 pounds of water per hour per floor from the air and the cooling effect during the warm months will be equivalent to the amount of heat required during the coldest weather in an eight room house.

The individual office can now have its own air-conditioning unit, however. There are adaptations ranging from small air-washing installations to elaborate conditioning plants suitable for buildings the size of the Victory Building. But like that tall pile of offices, office staffs in any building equipped with air-conditioning are able to work the year around in complete atmospheric comfort regardless of the weather conditions outside.

Office modernization is forging ahead in Canada. Decorative on one hand and utilitarian on the other, the modern office is also as healthy as the golf course as a result of scientific application of discoveries making it possible to control light, air, temperature and sound to the exclusion of the weather at any time of the year. Improved efficiency, important business savings and still more leisure for the golf course are the results.

**Modernization is a major factor in the forward march of Canadian business. The following firms and institutions have made possible this constructive series of articles to indicate in practical fashion the amazing opportunities for good business that lie in a programme of rehabilitation for Canada:**

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# Looking Ahead

## Shining White Metal, Fireproof Wood, Modern Desks and Vivid Red and Blue Upholstery are Features of the Office of Tomorrow

Fireproof wood, nickel and copper alloys that look like silver, chemically inert desk and table tops that are impervious to mild acids and cigarette burns, steel desks that resemble walnut, and air-cushioned chairs of metal with vivid red and blue upholstery are only some of the 1937 innovations in Canadian office equipment.

New materials from wood, glass, metal and even vegetable products are being developed in a wide variety of decorative schemes to meet new demands for low-cost utility and modern design. Wood is widely used for decorative effects in executive offices, as panelling, for decorative beams and for floor use in squares. In the traditional style, it conforms to desks of polished walnut or oak furniture and also because certain types of scroll carving can be expressed only in wooden materials. Apart from its decorative use, wood treated chemically with fire-resistant chemicals is gaining wider recognition for structural purposes but its chief use in office construction is in the form of partitions, easily removed or altered by office building maintenance staffs.

Metals are finding wider use in office design and equipment however. Increased use of ultra modern furniture and desks for office purposes includes tubular metal styles, and although Canada is still behind England in developing nickel silver forms of office building equipment, the mellow whiteness of that metal is attracting favor either for use by itself or in conjunction with copper bronze in grille work, office building balustrades or other metal fittings of the modern office. Also known as silver bronze and nickel bronze, nickel silvers consist of copper, zinc and nickel, the nickel content varying up to 30%. They can be used for all types of office equipment and take either a fine polish or may be given a sand blasted or satin finish. Since there is no coating or plating to crack, nickel silver office equipment is sought chiefly for its durability in offices where the wear and tear of public use is a factor in maintenance charges.

### Monel Metal 'Phone Booths

Monel metal grilles for cashiers' cages, vault grilles, radiator enclosures and telephone booths are among the newer developments attracting attention from office executives. In the case of Monel metal the utilitarian uses are legion since the absence of maintenance costs and indestructible nature of the metal is already well known. An example of the lasting qualities of Monel metal is seen in the roof of the Pennsylvania Railroad terminus in New York, constructed of Monel metal in 1909. In 1934 an examination showed no appreciable corrosion and engineers at that time estimated the roof would last for three centuries at least.

Improved types of glass brick, hollow in the centre and with more efficient insulating qualities are finding new use in office construction. Set in a curved corner type of construction or as a straight wall, they provide maximum daylight and, with air-conditioning, obviate the use of windows.

### Tubular Furniture

Office furniture is taking on a brighter note also. Tubular metal chairs upholstered in vivid colors of leather or cloth over air-cushioned or spring seats are being used with metal desks standing on curved tubular legs, and with linoleum or composition tops. Tubular chromium furniture has long-wearing qualities and a remarkable resistance to the damage which can reduce the life and value of furniture made from other materials. A lasting finish is given the tubular type by special manufacturing processes which start with the cold rolled steel, ground and polished treated with a copper wash and then with a hot copper cyanide plate, with the result that a foundation is formed that is resistant to all atmospheric conditions. Copper buffing, nickel plating and nickel buffing follow and finally the chromium plating and buffing are applied.

### Acid-resistant Desks

Desk tops in the modern manner are being produced with a one-inch, nine-ply built up formica product which is an almost inert chemical substance unaffected by washing soda, alcohol, cigarette burns or mild acids of any kind. This product is being marketed in various colors from black to a vivid Chinese red.

Rubbed wood desk tops are another type in wide use in the modern style office. These consist of seven equal plys of birch veneer and after various lacquer coats are applied the desk tops are hand rubbed to a smooth finish.

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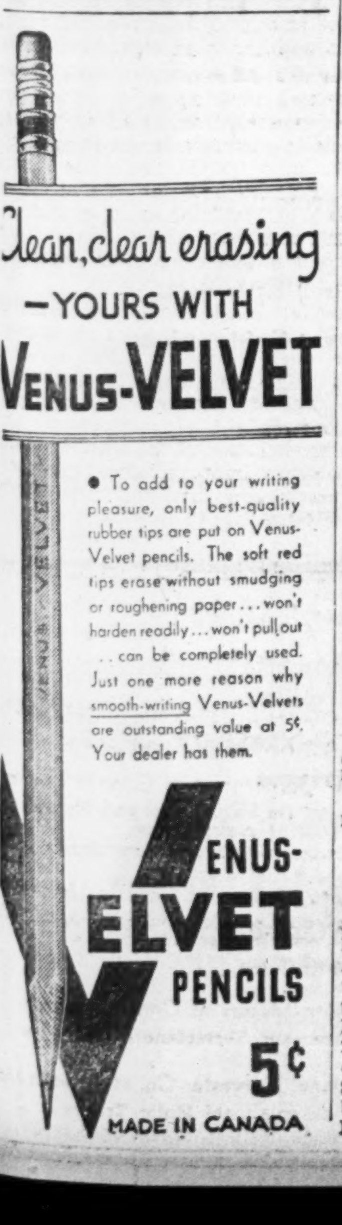
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## Foreign Trade

Weekly foreign trade news summarized by Commerce Reports, Washington, to May 15.

**Sweden**—The volume of industrial production has now reached a level 35% above 1929 and foreign trade is increasing substantially; difficulties are anticipated in the building trades, owing to the cancellation of the wage agreement and the possibility that labor troubles may tie up building.

**Irish Free State**—Merchandising is satisfactory but agriculture has suffered from unusually wet weather; export trade declined in February, but the 12 months ended with February the adverse balance was the lowest in three years.

**China**—Insurance of Government properties must now be placed either with the Central Trust or with private Chinese insurance companies; new regulations to control foodstuffs have been prepared to take effect in August, providing against provincial embargoes on shipments of foodstuffs and for crop information to be submitted to the National Government.

**Australia** — Satisfactory export prices for farm products have created a favorable agricultural situation and the outlook has been improved by further rainfall; production of iron and steel has expanded; there is a heavy export surplus in the foreign trade.

**Hawaiian Islands** — Shipments of raw sugar and canned pineapple remain active, construction and real estate activities have increased sharply, tourist arrivals continue to gain, and retail and wholesale trading is satisfactory.

**Philippine Islands** — Interest in petroleum deposits has been renewed and the Far East Oil Development Co. has taken out a drilling permit for operations in southern Luzon.

**Netherland India**—Conditions have improved in the outer provinces owing to the better income in rubber-growing districts, but the export trade of the colony became less active early in April.

## Admiral Beatty Hotel Shows Higher Earnings

The Admiral Beatty Hotel, Saint John, reports an improvement in earnings during 1936 as compared with 1935. There was a gain of about $4,000 in gross operating profit, and a drop of about $1,000 in prior charges, resulting in a reduction of the net operating loss of $20,117 in 1935 to $15,145 in 1936.

**Profit and Loss Statement**
Years Ended Dec. 31

| | 1936<br>$ | 1935<br>$ |
|---|---|---|
| Gross oper. profit .... | 53,838 | 49,935 |
| Less: Taxes, insurance, interest, deprec. .... | 68,983 | 70,052 |
| Net oper. loss .......... | 15,145 | 20,117 |

### Maritime Exhibitions

Tentative dates for the Class A exhibitions in the Maritimes this fall have been set as follows: Charlottetown, Prince Edward Island, August 16 to 21; Saint John, September 4 to 11; Fredericton, September 11 to 18; and the Nova Scotia Exhibition, at Halifax, September 27 to Oct 2. C. F. Bailey of Fredericton, president of the Maritime Stock Breeders' Association, has been re-elected president of the Maritime Exhibitions' Association.

# Telephone Service

## Modern System Simplifies Inter-Office Communication—Loud Speakers Used

One telephone replaces half a dozen instruments on the desk of the modern office executive. No longer is it necessary to have several instruments for outside and internal "direct lines" to other offices or factories. Neither is it necessary to have a cumbersome box of switches and levers for inter-office communication.

The modern office telephone is a single instrument with a slightly thickened base on which are buttons enabling the businessman to communicate with other inside telephone stations by the pressure of a finger.

Highly complicated as are the modern office telephone systems, they are reduced to simplicity so far as the subscriber is concerned. In office buildings the frequent changes in service and a wide range of service required by various tenants present special problems to which telephone companies long ago assigned specialists and experts.

One of the most important advances in office communication systems is the method of a permanent cable system, planned as part of the structure when it is built. The cable system in modern office buildings extends up through the building with branch cables terminating in distributing terminal cabinets at suitable points on each floor. Wires are run from the cabinets in underfloor ducts, floor conduits or other raceways to the telephones.

Planned office installation to meet any type of business requirement may be discussed with telephone experts and new developments are taking place with a view to supplementing the older forms of office telephone communication.

### Loud Speaker "Pages"

Not the least interesting of these is the combination of telephone and loud speaker. Recently installed in the office of a large automobile sales concern, this device is incorporated with a three-position multiple type switchboard. To the regular switchboard equipment are added two hand telephones hanging from the switchboard shelf. They are transmitters into which the operators speak to "page" employees or others in the distant parts of the large salesroom and those who are momentarily away from their own telephones.

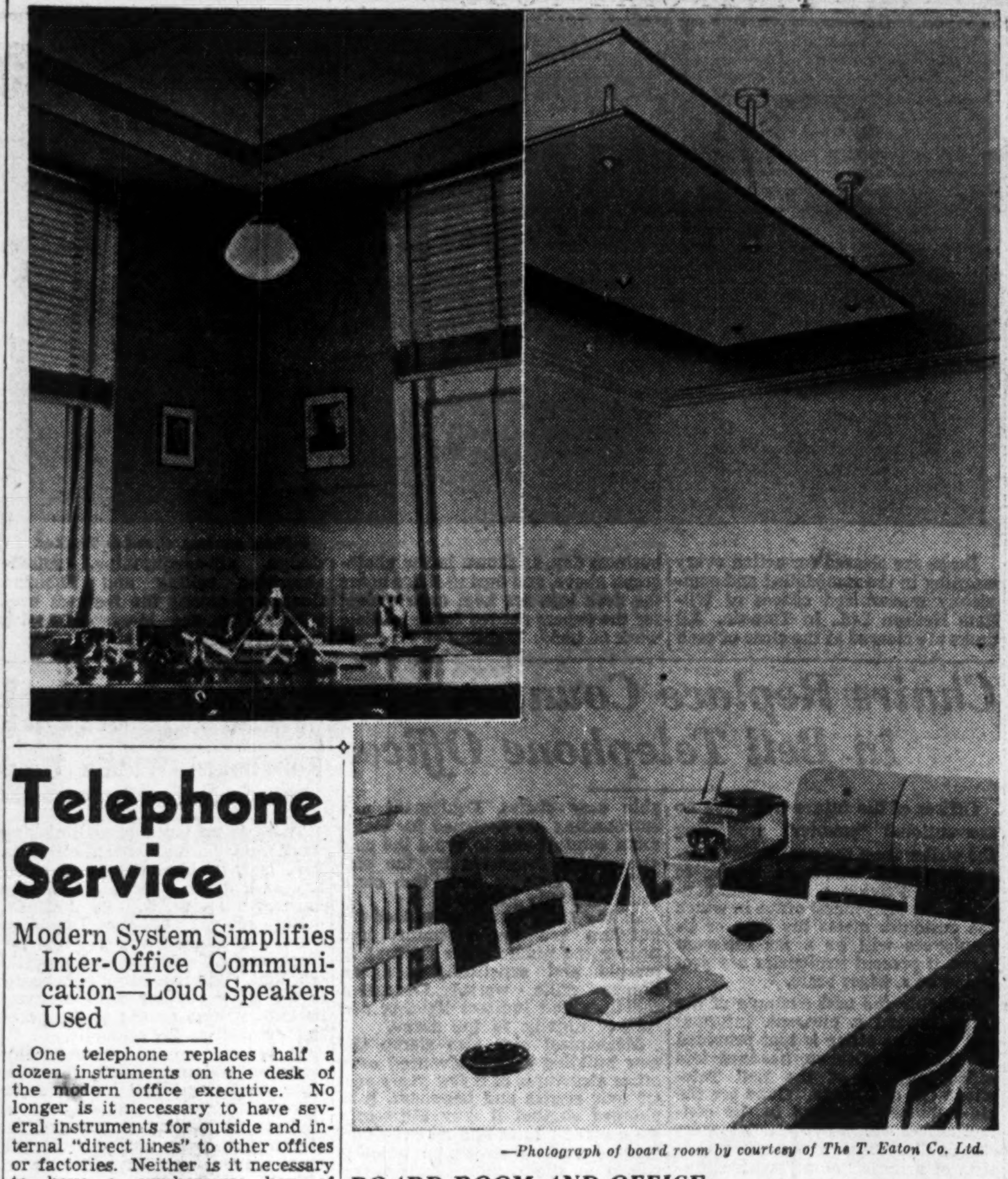
For large office buildings the system is particularly useful, since the operator merely "pages" the wanted person via a loud speaker system, audible at various outlets. Similar equipment for brokers' boardrooms and other offices is now available to businessmen, as well as cabinet types of inter-office communication systems in which the normal voice is raised or lowered in volume at will.

### Radio Type Arrives

No less enterprising is the development by a leading radio concern of a low-price inter-office communications system using features developed through radio.

This system can be adapted to household use as well as office purposes and consists of a central station or control unit encased in a polished wooden cabinet somewhat similar in appearance to a table model radio set. On the control unit are switches for volume, listening or speaking and an "on and off" switch. The voice, at normal volume, is carried by wires to other units located in as many places as desired. The executive can speak with one other station, or three or four at once, if desired, in complete privacy and the volume can be raised or lowered at will.

Used in conjunction with telephone switchboards the new device is proving a valuable aid to office communications systems since its recent introduction into Canada.



—Photograph of board room by courtesy of The T. Eaton Co. Ltd.

*BOARD ROOM AND OFFICE*

Not a club lounge but the board room of a Toronto business firm, the photograph at right is a striking example of ultra modern decorative treatment in business offices. Indirect overhead lighting and light colored walls and ceilings, with furniture in contrasting colors, all lend a sprightly atmosphere to a room in which business conferences are held. Left photograph shows the office of the general manager of a large Canadian automotive company, finished in insulating, sound-absorbing fibreboard on walls and ceiling.

# Machine Thinking

## Modern Business Equipment Reduces Possibility of Costly Errors in Offices — Speeds Up Work of Staffs — Noise is Eliminated

Modern business machines not only do his "thinking" for an accountant, cost clerk or cashier—they do it without the possibility of human error, providing the operator's eyes are normal, his hand steady and his brain functioning with reasonable clarity.

Among all types of office work involving machine equipment, probably a bank with its hundreds of branches is the best example of what machine accountancy can do. Modern methods, machine production, utilization of space and a high degree of mechanical accuracy reach their peak in the automotive industry, but through installation of the same principle of machine methods banks are discovering that the automobile industry can teach valuable lessons to bankers. And bankers are benefitting as a result in more economical, faster and accurate methods of transacting business.

One banker, discussing the installation of machine equipment, recalls the "good old days" of savings bankings, when making a deposit or withdrawal or having interest credited was a laborious task and a lengthy one. Machine posting has changed that and it is now possible in a modern bank or financial institution, using machine methods to have a depositor's transaction completed in a matter of seconds as against anything up to half an hour in "the old days."

### Mechanized Workers?

Has this mechanization had the effect of mechanizing clerks in financial institutions' offices?

On the contrary, according to bankers the morale of employees has been improved. In the case of banks, mechanical equipment has done away with the routine drudgery of bookkeeping and given practically every bookkeeper an opportunity to enjoy teller's work. It has also given a flexibility of operation enabling every employee to develop his own abilities to their limit and it has relieved them of extra work, not only after banking hours, but for protracted periods around interest dates. Formerly, employees worked until midnight around the end of each quarter, and even then posting was not completed for ten days or more. The modern method by means of bookkeeping and other office machines is to close the office at 5 o'clock with interest posted as of the first of the quarter.

### Variety of Uses

Business machines, particularly those which record instantly a permanent record of postings, customers' charges, credits and rebates, do much to relieve the employee of the possibility of errors and the vague fear that he is likely to be unjustly held responsible for other people's errors.

Typical of the equipment now in use by up-to-date banks is the posting machine which, in a single operation, enters deposits or withdrawals on ledger card, pass book and journal sheet. Each entry is an original, printed, unchangeable record with locked totals in the machine to protect customers, teller and bank on each of the day's transactions.

### Controls All Transactions

Yet banking is only one phase of the vast growth of business machine uses in Canada. Used also is the new type of posting machine which records and completely controls all transactions, including cash, 30-day charge accounts, refunds and miscellaneous entries between a customer and a store selling goods on a time payment basis. Briefly, the machine's operation protects both store and customer against incorrect charges and credits. Entries are made in the presence of the customer and the day's totals of all transactions are printed in a lock-controlled form which reveals total cash sales, charge sales, down payments, installment payments, miscellaneous entries and money paid out. It shows the number of each kind of transactions handled, the activity of each cashier, and the figures to prove the correctness of all postings.

No less efficient in design, the newer types of office business machines are streamlined affairs. Clear keyboards in varied colors provide instant identification of the decimal points, class of transaction and other information at a glance. The machines themselves are compact and from the simplest to the most complex are designed for speedy operation. Cash registers, bookkeeping and other typical office equipment machines of today are as different from the noisy, clashing, bell-ringing and complicated apparatus of 10 years ago as the streamlined automobile is different from the horseless carriage of 1900.

*"SOLD TO YOU"*

With keyboard installations giving instant communication via direct lines to all other brokers in the city, the photograph above is typical of the modernized telephone equipment in use in the large security trading centres in Canada. Traders in brokers' offices communicate with an entire market by the pull of a small switch among the dozens extending across the table shown in the lower right hand corner. Other equipment for recording transactions is within arm's length.

## Aluminum Co. Doubling Capacity

From Our Own Correspondent

MONTREAL.—Aluminum Co. of Canada has made plans and let the initial contracts for construction of two new pot-rooms at the Arvida plant. This work, which it is expected will be completed by the end of the year, will double the capacity of the plant, increasing the number of pot-rooms from four to six.

Contract for 1.5 million bricks, which figure largely in the construction of these pot-rooms, has been let to the Chicoutimi Brick Manufacturing Co.

# Ottawa Relief Policy Rapped By Duplessis

## Premier Sees Federal Raid on Provincial Autonomy

### READY TO FIGHT

From Our Own Correspondent

QUEBEC.—Quebec is determined to fight off all attempts by Ottawa to destroy its autonomy through "gradual penetration in all domains," Premier Duplessis told Quebec's Legislature. He declared that efforts to found a legislative union will be battled tooth and nail by the province.

The premier's statement came during debate on the need of relief for needy fishermen in Gaspé. Hon. Onesime Gagnon, minister of mines and fisheries for the province, recalled that Hon. J. E. Michaud, Federal minister of fisheries, had offered to give $50,000 for needy fishermen, on condition that it be distributed in the Magdalen Islands, where his department had jurisdiction. According to Mr. Gagnon, $12,000 would have been sufficient for the islands.

When the Opposition asserted that Ottawa was willing to make relief grants to Quebec, but that this province did not want to make the returns asked for, Premier Duplessis bounded to his feet with the statement that the Federal Government was striving to destroy provincial autonomy by gradual penetration in all domains. He said:

### Loss of Autonomy

"I consider that if we allow Ottawa to look after our finances, it means gradual abandoning of our autonomy. During the course of the last session the Federal Government voted a law by which provinces would be obliged to submit detailed statements of their financial operations, and leave it to carry out all necessary investigations. This was inscribed in two clauses of the law which had been accepted by the former Quebec Government.

"I informed the Federal Government that if they wanted to give us a present, we would accept it, but never would we submit to this law, which forced us to explain our actions. I maintain that this clause is unconstitutional and improper.

"We want to co-operate with Ottawa. If, however, Ottawa wants war, it will have it. We will not mix up in any plot to bring about legislative union for the provinces. We will ask municipalities to apply to the central powers for grants, and we will pay what we can, but we will not accept a single cent if it is at the expense of our autonomy."

## Telephone Investment Reports Higher Revenue

Telephone Investment Corp., operating the Philippine Long Distance Telephone Co., and controlled by Telephone Securities Ltd., which in turn is wholly owned by Anglo Canadian Telephone Co., reports a gross revenue of over $1.2 million in 1936, an increase of $138,114 compared with the previous year.

Consolidated balance sheet shows an increase in plant investments from $3.9 millions to $4.2 millions. Cash on hand declined from $181,658 to $70,840. During the year the company received $70,000 upon payment of notes receivable. Materials and supplies increased during the year from $192,924 to $235,783. The only change of interest among the liabilities is a reduction in the funded debt from $109,000 to $102,000.

**Income and Surplus Account**
Years Ended Dec. 31

| | 1936<br>$ | 1935<br>$ |
|---|---|---|
| Gross revenue ........ | 1,225,668 | 1,087,565 |
| Less: Oper. expense.. | 369,389 | 332,522 |
| Main. expense ..... | 196,583 | 176,035 |
| Depreciation ....... | 153,511 | 144,570 |
| Taxes .............. | 84,884 | 84,784 |
| General services ... | 17,713 | ...... |
| Bond interest ..... | 6,401 | ...... |
| Other charges ..... | 1,832 | ...... |
| Net income .......... | 395,356 | 349,834 |
| Less: Dividends ..... | 325,207 | ...... |
| Other deductions .. | 39,386 | ...... |
| Surplus ............. | 30,762 | ...... |
| Previous surplus .... | 657,574 | ...... |
| Surplus forward ..... | 688,336 | ...... |

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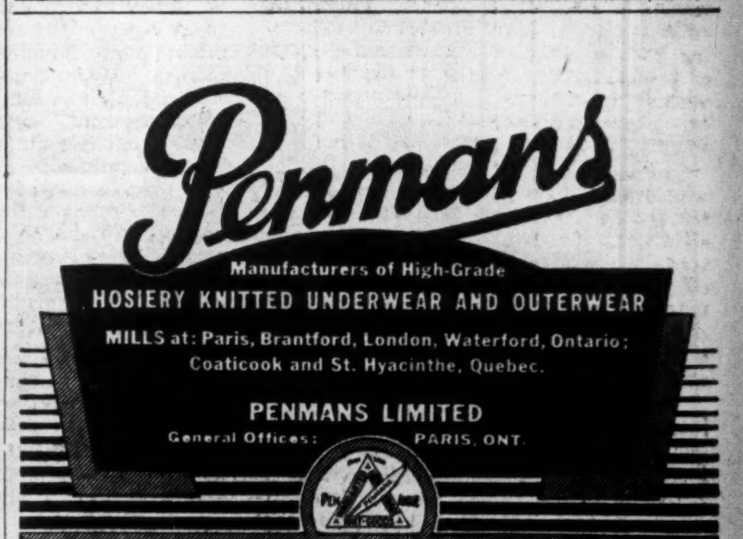
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# Footcandle Philosophy ~

### Science of Office Lighting Plays Vital Part in Modern Planning—Removal of Eye-strain Improves Health of Workers

Not so many thousand years ago, man used his eyes chiefly to sense the approach of gargantuan dinosaurs, vividly colored sabre-toothed tigers and other objects at long range. If his eyes had not developed along the line of long-range vision, he and not the sabre-toothed tiger might be extinct today.

Because human eyes were developed for seeing at a distance, and in natural daylight, the vast majority of human beings who work in offices, under artificial light, are taxing powers of vision in a way that produces a new crop of visual cripples each year. Facts and figures in correspondence books, typewriters and drafting boards are at arm's length. At night, newspapers and books, card games and the movies again demand vision at short range, and because man has moved indoors his seeing tasks are more severe.

Poor lighting is adding to the number of these visual cripples among office workers, because artificial light differs from natural light in both quantity (footcandles) and quality.

For that reason modern offices are a whole field of research in themselves from the standpoint of scientifically correct lighting. Experts on office lighting are retained by all the leading supply companies. Their advice is sought for motives of both health and economy, for it does not follow that good lighting for office purposes is necessarily expensive lighting. The reverse, indeed, may be true.

**Overhead Lighting**

Widely used is the overhead lighting system, either direct or reflected to the ceiling and downward. This system is frequently supplemented in executive offices with wall bracket fixtures, or individual desk lamps, but the individual desk lamp is also becoming more widely used for general office work and particularly in connection with stenographic operations.

Footcandles are a unit of light measurement. The eye can adapt itself to see under illumination ranging from a small fraction of a footcandle to several thousand footcandles, but between those two ranges is a point at which good vision is possible and the power of eyesight conserved at the same time. Accepted standards for the minimum amount of light needed for office work are about 20 footcandles.

**Light Meter Will Tell**

A new device known as the light meter performs the task of measuring these footcandles and in any office gives an immediate reading of illumination at any point and at any time. The reader of a light meter can determine how daylight fluctuates from minute to minute and a light meter reading of an office instantly reveals whether or not the occupants are receiving enough light under which to work safely and efficiently.

Quality of office light is as important as the quantity but this cannot be checked with a light meter and it requires a skilled analyst to determine light quality including glare and its effect on eyes, reflected glare, diffusion, shadows, direction of light and other factors entering into the ability to see.

Elimination of glare, either in overhead, wall bracket, or desk lamp equipment is a major purpose of scientific office lighting. Glare is as much responsible for nervous muscular tension as low illumination. A glare source at 20 degrees from the line of vision and providing five footcandles on the visual task produces the same nervous muscular tension as that produced by work under one footcandle and without glare. Too much or too little light is equally harmful.

The clerk whose desk is far removed from a window has a definitely harder seeing task than he whose desk is beside a window, lighting experts have discovered. Inside natural lighting decreases rapidly from a window area and where the average office has 100 footcandles of light at the window there are only about five footcandles 20 feet away. Ample artificial light must be substituted.

Modern office lighting has an accepted standard, the amount of light in terms of footcandles for varying tasks being computed on the following basis:

**Office Lighting Requirements**

| Seeing Task | Footcandles needed |
|---|---|
| Bookkeeping and accounting | 30 |
| Conference room | 10 |
| Corridors and stairs | 5 |
| Desk work | 20 |
| Reading blueprints and plans | 30 |
| Drawing and sketching | 30 |
| Filing and index reference | 20 |
| Mail sorting | 20 |
| Reception rooms | 10 |
| Vault | 10 |
| Business machines | 50-100 |
| Art and layout work | 30-50 |
| Drafting | 30-50 |
| Stenographic work | 30-50 |

Second only to quantity and quality of light in modern office installations is the type of wall and ceiling coloring. These are literally secondary sources of light since they receive and reflect light from the lamps. Cleaning and repainting are necessary and can increase the effective illumination but the growing use of indirect lighting necessitates ceilings of pure white or ivory or cream color. Not only is the color important but the finish should be a flat or mat type rather than a glossy finish which catches light at different points and causes glare. Side walls for the modern scientifically lighted office should be green, blue gray or other "cool" colors, according to engineers.

So carefully has the reflecting power of certain colors for walls and ceilings been measured, that the following table shows the amount of light reflected by certain colors used in office decoration, as determined in tests made by General Electric Co. engineers:

**Light Reflected by Colors**

| Wall or Ceiling | Light reflected % |
|---|---|
| White | 85 |
| Ivory | 77 |
| Cream | 66 |
| Buff | 56 |
| Silvery grey | 50 |
| Light blue | 50 |
| Cream over blue, stippled | 45 |
| Ivory over sage green, stippled | 40 |
| Grey over white, stippled | 40 |
| Sage green | 40 |
| Olive green | 20 |
| Cardinal red | 20 |
| Antique brown | 9 |

—Photo courtesy, Grand & Toy Ltd.

Desks are cleared for action every morning in the remodelled and completely modernized offices of William Neilson Ltd., in Toronto. All desks are cleared at the close of each business day, as shown in the photograph above, and during office hours the desk tops are kept clear except for the papers needed for immediate work on hand. Lighting of the latest design, air-conditioning, sound-absorbing ceiling and linoleum floors are among the features contributing to the increased health and efficiency of the staff.

# *Chairs Replace Counters In Bell Telephone Offices*

Offices of the future will have no conventional "counter" separating the visitor from the occupants or executives with whom he wishes to consult. Private offices will continue, but the general office in which the customer meets the firm or its employees will be a far different place, if present tendencies are projected on a wider scale.

Probably the best example of the trend toward a pleasant, informal and spacious office is that provided by the new Ottawa headquarters office building of the Bell Telephone Co. of Canada. Gone are the old-fashioned counters in the contact offices where Bell officials meet the public. Instead the office consists of a large "salon" where subscribers to the Bell system may be interviewed as they sit in comfortable easy chairs. Equipment and surrounding are designed for maximum comfort and to avoid the cold atmosphere suggested by the old-fashioner counter and the clerk standing stiffly behind it.

In the main entrance hall of the building are the vestibule, hall proper and public office finished in marble and artistically designed bronze grille work. Concealed radiators and indirect lighting add further dignity to the scene.

Mechanical aids also stamp the new building as far advanced over office structures of a few years ago. Of four stories and basement, it is planned so that it may ultimately have seven stories and an extension along one of the streets on which it stands at the corner. It is being built to house dial telephone equipment and to meet anticipated needs of Ottawa and Hull subscribers for years to come. The buildings, incidentally, will be the scene of the largest "cutover" from manual to dial telephones ever changed at one time in Canada.

Upper floors contain areas to be enclosed by glass and metal partitions, easily removed, while interior permanent partitions are of terra cotta. Ceilings, except on the first floor office area, are unplastered, the concrete being rubbed down to a smooth finish. Floors, except in the public areas, are covered with battleship linoleum.

Steel stairs with terrazzo steps and platforms, and glass brick which replaces windows are other striking features of this ultra modern office and telephone exchange building, which provide staircases entirely fireproof. Windows in other sections of the structure are metal with fireproof glass, and doors, too, are of metal.

# Wallpanel

### Fibreboard Widely Used in New Offices

There is no law against finishing walls and ceilings of an office in gold leaf, in luminous paint or in any of a dozen bizarre and highly expensive materials.

But records of the Dominion Bureau of Statistics reveal that for cost reasons, decorative and acoustic qualities, rigid insulating fibreboard is far more popular with business executives with an eye to the practical as well as the aesthetic.

There are several reasons why domestic shipments of Canadian rigid insulating board jumped from 2.5 million square feet in March, 1936, to 3.8 million square feet in March this year, but one of the main reasons was its wide use in office installation. Panel board shipments from Canadian companies rose from 1.7 millions in March last year to 2.7 millions in March, 1937; plaster base board rose from 231,371 square feet to 672,012 square feet and roof boards showed a gain from 53,000 square feet in March, 1936, to 133,744 square feet in March, 1937.

Quiet is essential to a well-conducted office. It is also necessary in schools, hospitals, churches, libraries and rest rooms, and because of its insulating and acoustic qualities, quantities of fibreboard are being used for these purposes.

The decorative possibilities of the material for walls and ceilings at low cost are creating wider demand for office purposes. Insulation against cold and heat, sound absorption, and its adaptability to a wide range of decorative schemes and color treatment are reasons for the growing demand for fibreboard products in the Dominion.

Applied in panels, squares or plank-like strips, fibreboard products are widely used in connection with the new trend in functional office design and light coloring features. Ceilings are being finished in offices with ashlar blocks each two feet square and grooved into one-foot squares, applied to wood furring which in turn is secured to open web bar joints. Panels, in a variety of designs are leading in popularity for wall treatment, however.

# Business First

### Utility is Keynote of Modern Office Designing—Equipment and Decoration Aim at Reflecting Character of Business—Harmony Achieved

The furnishing and decoration of the modern office are definitely functional. The garishness of the earlier office has been eliminated and replaced by a design which aims at utility and reflects the character of the business

Offices of today are luxurious in some cases; others are furnished in ultra modern style but with Spartan simplicity, but throughout the new trend in decoration runs a sense of balance and restraint.

It is not necessary to spend large amounts on an office in an effort to impress customers or clients, but whatever the cost, the office of today is designed primarily for the type of business involved, and its special requirements in the form of furniture, decoration and equipment.

Typical of the modern office designed along special lines is that of an eastern Canadian dairy concern. Bare of wall decorations, the executive offices are fitted with ultra modern desks, chairs, telephone tables and other furniture in contrasting colors, but the predominant white color throughout, and the cream colored Venetian blinds provide an atmosphere suggestive of cleanliness, smartness and bright sunshine.

**Informal Atmosphere**

Offices of a large Canadian distillery are designed in natural wood panelling. Desks, chairs, fireplaces and fittings are more suggestive of a club lounge than the old-fashioned business office with nothing in it but the bare necessities for executive and staff work. But the whole is strikingly suitable for a distillery executive's office, conveying an air of well-being and comfort.

Another executive office in the same suite contains the usual desk and chairs of walnut, a dark green leather chesterfield, rust colored carpet and beige walls. Lighting is both overhead and provided by a floorlamp.

Dark colored rugs or carpets, fibreboard squares lining the walls, and light colored chairs and desk are popular for the office furnished simply but effectively at low cost.

If more expense is justified by the size and importance of the executive quarters, a more ornate type of office is selected by office designers. Still another type of office receiving new decorative treatment is the office of the professional man which, again in keeping with its purpose, resembles a library more than an office for business use.

Thus in doctors', dentists' and lawyers' offices to today the decorative scheme may include a fireplace, window drapes of a striped or checkered design, easy chairs and a lounge, a small circular table or two with lamps, bookshelves set into the wall, and one or two pictures. Rugs, desk and smoking incidentals complete such an office.

**New Boardrooms**

Boardroom types of office decoration are probably the most elaborate, yet these also may range from severe simplicity, utilizing ultra modern style of design, to highly decorated, panelled rooms with rich carving, drapes and oriental rugs. A splendid example of what money can buy in the form of a restrained but rich scheme of decoration and furnishings is found in the new offices of the Toronto Stock Exchange. The president's office contains a large walnut desk, leather upholstered chairs, overhead candelabra, wall lighting fixtures, and a rich oriental rug on the floor. Walls are panelled wood, the inconspicuous wall vents of the air-conditioning system being the only mechanical equipment in sight except the telephone.

A similarly impressive scheme of equipment and decoration is followed in the exchange boardroom with a long directors' table extending from a fireplace down the length of the room. In every detail the executive offices show decorative restraint, quiet luxury and air-conditioned comfort, but they leave no doubt of the fact that such equipment and decoration cost considerably more than those of the average business executive office.

In contrast is the functional style of boardroom, devoid of decoration of all kinds. Overhead is an indirect light, illuminating a spotlessly white or cream room containing only chairs and a table in contrasting colors of white and perhaps red. The impression is given of a streamlined recreation room in the style of 1950 except that the ultra modern effect is pointedly toward business and nothing but business. Furniture is the new type with rounded corners, leather upholstery of a vivid color and a table with end shelves open on three sides.

**Staff Offices Improved**

Staff offices of 1937 show a less pronounced change. Here the comfort of office workers is a primary requisite, but so also is the object of providing equipment that fits into the general scheme with a minimum use of space. Thus, counters have their business machines, cash registers, or accounting machines "set in," and placed at the exact height for the greatest ease of operation. Overhead are individual lights, casting rays directly on the machine, which in its countersunk position no longer obscures the sight of either customer or operator.

Typewriter desks, too, have their individual lighting arrangements at each desk, by means of adjustable lamps shining directly on the machine. Chairs are adjustable to varying heights and acoustic qualities of floors, ceilings and walls are carefully designed for minimum noise. Telephones, too, are being equipped with lighting signals in place of the conventional bell, as a means of reducing unnecessary noise, while "noiseless" typewriters are replacing the older type and consequently adding to the ability of workers to concentrate on their own efforts unhampered by distractions of sound.

**Air-conditioning**

Air-conditioning is an old story but a growing realization of the effect of air-conditioning on the health and efficiency of office workers is bringing more and more firms to the knowledge that money spent on air-conditioning pays actual dividends in the form of time that is otherwise lost through colds and illness. Records of the reduction of office "sick lists" show conclusively that time lost can be reduced tremendously by air-conditioning which removes the stuffy, ill-ventilated atmosphere in which office workers frequently find themselves "fagged out" by mid-afternoon.

In design and decoration, mechanical equipment, communication systems and lighting, today's modern office is a long step from the makeshift affairs that once sufficed for any and all types of business. It is a place in which the comfort, health and efficiency of office workers are guarded as carefully as any investment in precision machinery or delicately adjusted and expensive scientific equipment, and for the same reason — to protect the investment made by every firm in payrolls.

## Montreal Security Values Decline in Value For April

**From Our Own Correspondent**

MONTREAL. — Securities listed and traded on the Montreal exchanges had a total value of $7,815 millions at the end of April, 1937, a decline of $1,062 millions from the previous month. Compared with April, 1936, the total value showed an increase of $487 millions.

Seven of the nine classifications registered declines. The advance in "industrials" on the Montreal Stock Exchange was due to new listings, and the very sharp decline in listed stocks on the Montreal Curb Market was caused by the removal in part by several issues on the list.

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# Timber Pleads Its Case ~

### Fire-resistant, Heavy Mill Type Building is Much Maligned Form of Construction, Lumbermen Claim — Field Seen for Timber

"Why build to burn?"

Lumbermen, lumber trade journals and timber associations in Canada are explosively indignant over that question. It was asked, in the form of a caption, in a recently published U.S. magazine article and it was the spark that set off the loudest protest yet heard from Canadian lumber circles over what is claimed to be a growing tendency toward unjust and unfavorable public comparisons of lumber with other materials used in building construction.

The implication that lumber is a highly inflammable article that can turn a home, factory plant or warehouse into a raging inferno in a few moments is highly resented by Canadian lumbermen. They claim, that properly treated with modern fire-resistant chemicals, and used for its proper purpose in heavy "mill building" or "slow burning" types of construction, lumber is no more hazardous from a fire standpoint than many other materials for which fireproof qualities are claimed.

In congested urban centres such as Toronto and Montreal, by-laws ban the erection of frame dwellings because of the fire hazard and the fact that, once started in a congested area of frame dwellings, a minor fire is likely to become a major municipal disaster. Frame dwellings are prohibited in Montreal with the exception of one ward, but few if any frame dwellings have been built in that ward in recent years; a condition of affairs indicating that frame houses in cities are obsolete.

**Western Construction**

A different situation exists in western Canada where frame houses are the rule rather than the exception, but western populations are more scattered and safety factors, weather conditions and sources of materials present an entirely different set of conditions compared with the crowded cities of the east.

If lumber could be utilized only to erect frame houses, the industry would have died a natural death some time ago, since western building in the last few years has not been even moderately large in volume.

Because it can be used in many types of construction, lumber products have a large outlet into industrial construction, bridges, culverts, flood control systems, radio antenna towers, rinks, auditoriums and other structures.

From an industrial standpoint the most important use of lumber in Canada is in the "mill building" type of construction. This is defined by the National Board of Fire Underwriters, as a building in which: "The exterior walls are of brick, concrete or reinforced concrete and in which the interior structural elements, including posts, floors, and roof construction consist of heavy timbers with smooth, flat surfaces, assembled to avoid thin sections, sharp projections and concealed or inaccessible spaces."

The "mill building" type of construction has been improved in recent years by standardized rules in grading lumber, as well as by new methods of design and the connection of timbers with "ring connectors." All exterior walls of "mill buildings" are of masonry, and the wooden posts, beams, stringers, and sub-floors of timber are long wearing. It is not unusual to find that interior "mill building" construction lasts for 200 years or more with replacement of worn floors.

**Depreciation Costs**

The long life of timber-built industrial plants, factories and warehouses has a direct bearing on depreciation costs, and also on obsolescence. It is estimated by responsible real estate appraisers that, exclusive of obsolescence allowances, the following structural depreciation charges are justified in the case of timber and masonry structures:

**Structural Depreciation**
(Obsolescence Not Included)

| Age in Years | Timber % | Masonry % |
|---|---|---|
| 10 | 20 | 17½ |
| 20 | 33 | 28 |
| 30 | 43 | 38 |
| 40 | 53 | 48 |
| 50 | 63 | 58 |

For timber, the depreciation charge at the end of 50 years is only 5% higher than masonry but offsetting this is the lower original cost of the timber construction and accompanying interest charges.

**Is it Fire-Resistant?**

The main subject of contention between proponents of lumber for industrial construction and those who think that lumber is itself obsolete, is the question of fire-resistant qualities.

To opponents of the use of lumber in modern construction, all lumbermen answer that many buildings termed "fireproof" are in reality not fireproof at all, but merely fire-resistant. They go farther and assert that there is no such thing as a fireproof building unless it is one which is built of incombustible materials and then remains unfurnished and unoccupied.

On the other hand, under conditions sufficiently severe, all materials subjected to intense heat and flame will fail sooner or later, particularly if the contents of such a building are themselves combustible, and "mill building" construction itself is admittedly no exception to that rule.

One example of the fire-resistant factor in mill construction was a severe six-hours' fire which spread to five floors, destroying the contents of a building. The timbers were charred to a depth of ¼ to ¾ of an inch but their strength was so little reduced that only resurfacing was required.

**Will Burn Slowly**

W. H. Greene, secretary-manager of the Lumber and Timber Association of Ontario, gives the typical viewpoint of the timber industry. He states:

"A building of mill construction will burn under severe enough conditions of exposure, but such a building will burn slowly, thus giving time for the fire-fighting apparatus to arrive and, with minimum risk to the firefighters, thus giving every opportunity for extinguishing the fire.

"But a good yardstick to measure the fire hazard in warehouses of mill construction is that the fire underwriters quote the same premium for insurance on timber; that is mill building construction buildings, as they do for those of steel, concrete, brick and tile. There is a lower rate if the mill building is provided with sprinklers and the same rate when both types are sprinklered."

Mr. Greene sets out eight points in favor of heavy timber construction.

"1. Decidedly lower first cost, which may run as much as 33%. In addition to the intiial saving, there is an annual return on this saving in lower interest and insurance charges which over a period of years amounts to a considerable sum.

"2. Consequent lower charges for ultimate demolition and replacement.

"3. Substantially the same and in some cases lower insurance premium rates.

"4. Equipped with a sprinkler system, heavy timber construction is in the same fire-resistant class as concrete or steel construction similarly equipped.

"5. Much more rapid erection, and at any season of the year, than is possible with some other industrial construction types, which means a considerable monetary return to the occupier.

"6. Ease of alteration to meet changing conditions. This encourages improvements in alteration because it does not require expenditures for alterations which exceed in value the expected benefits.

"7. It affords more convenient surfaces for the attachment of machinery, shafting, and other mechanical equipment.

"8. Timber is more resilient than other materials, hence vibration, with consequent damage to the health of employees and to machinery, is reduced to the lowest possible extent. Public health departments state definitely that wood floors are less injurious to the health than any others."

## C.N.R. Awards Contract On Saint John River Bridge

From Our Own Correspondent

MONTREAL.—Canadian National Railways has awarded a contract for the building of the substructure of the new bridge over the Saint John River at Fredericton to Richardson & Co. of Toronto.

This substructure will consist of nine piers, with a swing span. The bridge is to replace the one destroyed in the spring of last year by the flood waters which swept down the Saint John Valley.

## In The Construction World

### *D.H.A. Loans $7 Millions*

Since the Dominion Housing Act came into effect in 1935, a total of more than $7 millions has been advanced for new home, apartment and duplex construction to about 1,580 families.

The Dominion Housing Act has never had a smooth road to travel and it was severely criticized in its early form as being impracticable. The subsequent amendments and adjustments of regulations by which lending institutions were encouraged to make the necessary advances appear to have restored the Act to its originally intended usefulness for no less than $2 millions in loans were made between Jan. 1 and April 30 of this year, according to official figures. Ontario has taken advantage of the scheme to the extent of 468 loans and all provinces, with the exception of Alberta, have participated. The average loan per family unit is $4,463 and the total of individual loans has reached 994.

In much the same way, the Home Improvement Plan has been gradually adjusted to meet conditions as they arose. Designed for a different purpose, to enable home owners to make needed repairs and to modernize their properties, the loan plan proved far more popular than the Dominion Housing Act from the outset. However, it, too, was revised recently in some points of detail to ensure wider operation and ensure its application in all parts of Canada. Like most experimental legislation both the H.I.P. and the D.H.A. were found to have minor flaws in actual operation but in both cases there has been quick action to correct them.

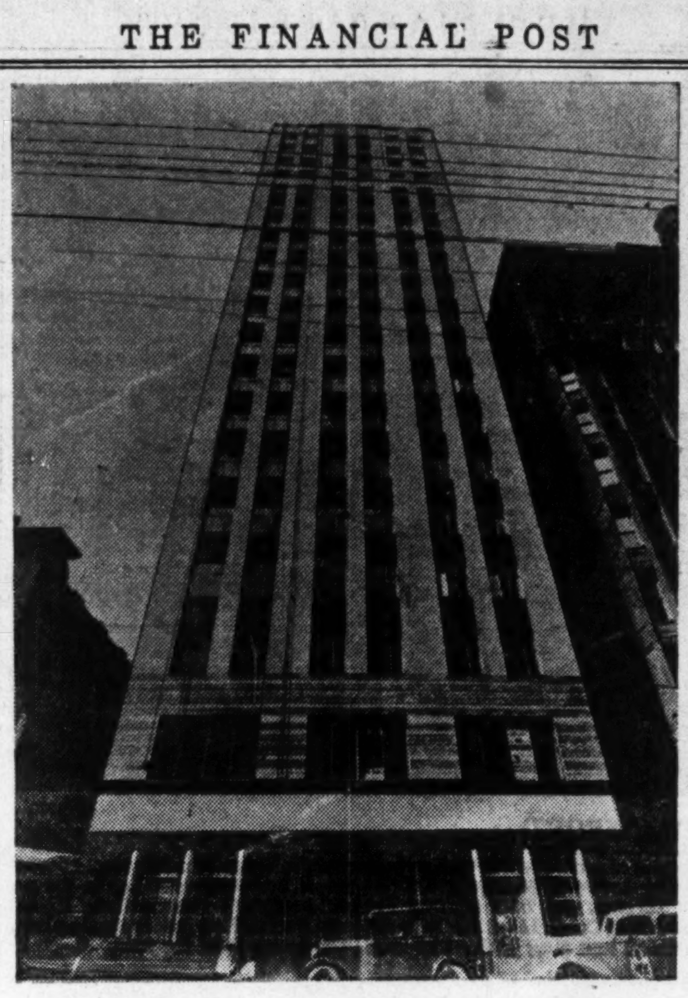
* * *

### *Rouleau Builds Again*

The building slump is over in Rouleau.

Rouleau is in Saskatchewan and it can thank the oil industry for revival of local construction activity after what is probably a Canadian record for the whole depression period. Last month the town's secretary-treasurer issued the first permit for new construction since 1929. It was issued to a Winnipeg oil concern for erection of a gasoline service station and oil warehouse. The new building will cost $1,500.

The only other permit issued in Rouleau during the last eight years was one issued to Prairie Cities Oil Co. for the rebuilding of an oil warehouse. That was in 1936.



***AIR-CONDITIONED***

Looming 20 stories above the downtown section of Toronto, the Victory Building stood partly completed and empty during the construction slump a year or more ago. Today it is a modernized, air-conditioned office building with rental space in demand. One reason is that each floor has its own air-conditioning unit with ducts to individual offices and rooms. It is the largest air-conditioning installation of its kind undertaken in Canada and believed to be the largest in the British Empire.

# Building on Air

### Air-conditioning Plants Reducing Time Losses in Offices — 21-unit Installation Used in New Toronto Building

Less than a year ago Toronto's Victory Building was the best known "white elephant" among office structures in the downtown section of the city.

It stood empty and only partly finished for several years when construction unexpectedly ceased during the depression period and several of the topmost floors were open to wind and weather in that time. Then a few months ago work was resumed, the top floors finished with walls and windows and the interior completed.

Today the Victory Building, officially opened May 1, is about 70% rented, a figure far ahead of the schedule anticipated by the rental agents.

The Victory Building's air-conditioning installation is the largest of its kind undertaken in Canada and it is believed to be the largest in the British Empire. It is, in fact, not one installation but 21 installations —one for each floor and the elevator lobby. The structure is 20 stories high with an approximate area of 4,500 square feet on each floor, or a total of about 90,000 square feet in all.

**Unit on Each Floor**

Each of the 20 floors has its own plant, a type HD General Electric commercial air-conditioning unit being located in the meter-room behind the elevators. Ducts from the conditioner are built in the ceiling as part of the structural work between the rounded columns on each floor and small conduits in turn branch out from the main duct to each office and room. As fresh filtered air is mixed with that in the conditioning system, it is passed through a process which again filters it, cools and dehumidifies the air in summer. Air is filtered, heated and humidified in the winter.

In the summer, 11.5 pounds of water per hour, per floor, will be taken out of the air and the cooling effect on each floor is described by engineers as the equivalent to the amount of heat required during the coldest weather in a modern eight-room home. In winter, 18 pounds of water per hour, per floor will be added to maintain a proper degree of humidity. The temperature is thermostatically controlled in such a manner that, for example, when the outside air is at a temperature of 90 degrees, the temperature in the building will range from 10 to 20 degrees lower. Each system will circulate 4,000 cubic feet of air or 290 pounds of air per minute on each floor.

All equipment installed in the Victory Building's air-conditioning plant is a special heavy duty type with specially designed grilles to ensure uniform distribution of air in each office. Similar to a honeycomb in appearance, the holes in the grille are symmetrically arranged so that there are gradual variations in the angle of each aperture through which air passes.

Engineers state that while the Victory Building is the only office structure of its size to be air-conditioned in Canada to date, the trend is distinctly toward air-conditioning as an ultimate necessity for all business and office buildings. A new factor is injected into rental competition, it is believed, and in time most large office structures will be similarly equipped.

**Sick Lists Reduced**

What are the actual results of office air-conditioning?

Chiefly, they are dividends which, as disclosed by a survey of the Chicago Tribune Tower building, represent cash savings from increased health among office workers.

Exactly 12 months before air-conditioning was installed in the Tribune Tower the survey was commenced. There was an average of 2,150 persons on the Tribune payroll each month. During the 12 months from May, 1933, to May, 1934, a total of 475 persons were compelled by various respiratory diseases to miss one or more days of work. In all, they missed 2,228 days of work because of illness, or an average of five days each.

When air-conditioning was installed all employees in the building commenced to breathe washed, humidified and properly heated air and the results were instantaneous.

Average of the monthly payroll happened to be larger, at 2,500 persons during the year between May, 1934, to the end of April, 1935. But only 345 persons became ill during the year and these missed only 1,290 days or an average of 3½ days a person.

In other words, 22% of the total number of employees became ill enough to remain away a day or more during 1933-1934, but in the subsequent 12 months the percentage dropped to 13%. From May to December, 1935, only 204 persons missed days of work, although the average of employees rose to 2.800. And in the epidemic year, 1936, when influenza was rampant, only 571 Tribune employees out of an average 3,000 on the payroll were forced to stay home because of respiratory diseases.

## Dominion Tar Plan Receives Final Approval

From Our Own Correspondent

MONTREAL. — At two special meetings of shareholders of, Dominion Tar and Chemical Co., special by-law G, which gives effect to a compromise approved at recent special meetings, was approved.

The compromise eliminates arrears of preferred dividends. For each share of 7% preferred stock, holders are to receive one new 5½% share and two common shares.

## Can. Int. Invest. Trust Makes Payment on Stock

From Our Own Correspondent

MONTREAL. — Canadian International Investment Trust has declared a dividend of $1.25 a share on the 5% preferred stock, payable June 1, to shareholders of record May 15.

The dividend of $2.50 a share was paid on March 1, 1937, and $2.50 on December 1, 1936. The latter was the first distribution since 1931. Arrears of dividends on the preferred now total approximately $21 a share.

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# Social Credit Rebels See Sufficient Votes For Aberhart's Defeat

## Premier May Call Election to Prevent Insurgent Cabinet

### PARTIES BUSY

From Our Own Correspondent

EDMONTON.—Dissension in the Social Credit Party over the Aberhart Government's failure to fulfill its election promises has spread far and wide throughout the province. Aided by mention of a possible election by Premier Aberhart himself, the impression is gaining ground that the Government will face defeat when the Legislature reassembles on June 7.

Insurgents are confident of the strength of their cause to win a majority of the Social Credit membership in the House. From a leading insurgent, it is learned that the rebel ranks number 23 members, with nine others likely to join them before June. This suggests a possible insurgent strength of 32 votes against the Government, which would have only 23 members supporting it. With the opposition of Liberal and Conservative members, the insurgents appear easily within reach of defeating the Government.

Mr. Aberhart has denied he wishes an election, but his present attitude is interpreted as meaning that if he is defeated he will call an election, not allowing insurgents a chance to form a ministry. The constitutional question of what the Lieutenant-Governor would do in such an event, is a matter of speculation.

A feature of the Government party's controversy is the declaration by A. J. Hooke, M.L.A. for Red Deer that he will call for a thorough investigation into charges made by the former treasurer, Charles Cockroft, that the Premier was anxious to raid trust funds, and that the province lost more than $117,000 through failure to fulfill its share of an agreement with Ottawa in respect to road relief work.

Outside the Social Credit party, opposition forces are forming ranks in preparation for a campaign if an election is called. Executives of both Liberal and Conservative parties have discussed plans of organization. The provincial Liberal convention will be held at Calgary on June 4 and 5, with a likely contender for the leadership of the party being E. L. Gray, general manager of the Eastern Irrigation Project, Brooks, Alta., and a former deputy minister of municipal affairs.

Evidences of a division of opinion in the Liberal Party is apparent at the present stage, with the "Old Guard" standing fast in its determination to retain control. Selection of Mr. Gray, it is believed, would indicate a step toward party housecleaning on the part of the Liberals.

The U.F.A., badly beaten in the 1935 election, is showing some signs of revival at many country points, and with the co-operation of the C.C.F., is expected to become a factor in a campaign. One of the mysteries of the situation is the future of the insurgent Social Credit wing, whose members represent the traditional progressive movement of Alberta as much as C.C.F. or U.F.A. Some speculation is centred on a possible left wing coalition or working agreement in event of an election.

The People's League, described as a non-partisan organization designed to assist the fusion of moderate and right wing elements, is actively organizing. The rôle of the League can scarcely be judged in advance of an actual campaign.

Independent efforts to bring moderate opinion together are attributed to George N. Johnson, former U.F.A. speaker of the legislature, who is reported to have made a contract with Liberal, Conservative, C.C.F. and U.F.A. executives in at least 20 constituencies, in an effort to bring them together.

## *Aberhart Fires Civil Servants*

From Our Own Correspondent

EDMONTON.—A deputy minister and two department commissioners will join Alberta's army of dismissed civil servants which has been swelled by the Aberhart régime. These latest recruits, H. P. Keith, deputy minister of public works, C. A. Davidson, highway commissioner and S. G. Carlyle, livestock commissioner, have all been given notice and others are expected to follow.

The dismissals coincide with charges made by W. N. Chant, former minister of agriculture, that he had been urged by Premier Aberhart to dismiss many employees of long standing in his department.

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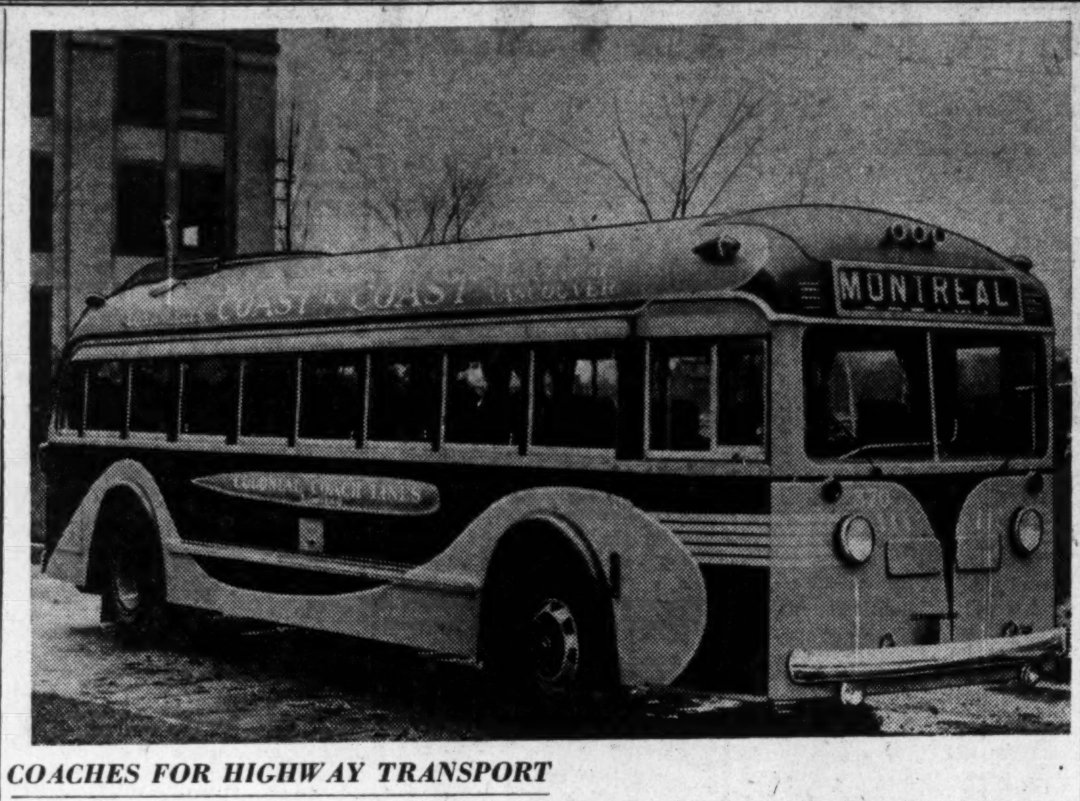

*COACHES FOR HIGHWAY TRANSPORT*

Colonial Coach Lines, subsidiary of Provincial Transport Co., has put into service for the first time in Canada three General Motors Corp. Highway Cruisers. These coaches are part of a fleet which will go into service between Montreal, Ottawa and Toronto, and, later on, over the Champlain Coach Lines run between Montreal and New York. The total weight is two tons less than conventional bus equipment due to the use of duralumin construction. Higher seat decks allow better scenic views. The motor is in the rear.

# Shipping Cost Cuts Exports From Coast

## British Columbia Trade is Hampered By Rising Rates

### LUMBERING IS HIT

From Our Own Correspondent

VANCOUVER — High ocean freight rates coupled with a shortage of ships have become a serious barrier to British Columbia's foreign trade this year.

Lumber exports, which set an all-time high in water-borne commerce for this province last year, have declined steadily since last December, and while a log shortage due to severe weather has been partly responsible for this, the shipping shortage and consequent higher rates have been an important factor. Although demand for lumber in overseas markets continues, it now seems inevitable that B. C.'s exports will fall behind last year's figures.

Not since the hectic days of the fall of 1923, after the Japanese earthquake, when lumber shipping rates to the Orient jumped to a peak figure of $16 a thousand feet, has the North Pacific charter market witnessed such a sustained upward trend.

**Tonnage Scrapped**

Opinion seems general that the shipping shortage is due primarily to the general recovery of trade the world over, accompanied by the scrapping of considerable tonnage without adequate replacement.

Shipping embargoes around Spain have undoubtedly tied up tonnage and added to the shortage, while the rush by European countries to store up supplies in case of war may also be a factor.

Charter and space rates from British Columbia ports are between 60 and 90% higher than they were six months ago. Last fall the lumber rate from British Columbia to the United Kingdom, most important export market, was 55 shillings; now it is 90 to 100 shillings. In six months the rate to Japan has advanced from $6.50 to $16 and $17, and to China from $7.50 to $18. Freight rates to the British West Indies jumped from $14.50 to $21 in less than one month.

Tramp tonnage to Australia for lumber was $7.50 a thousand last fall. A few days ago it was quoted at $18. The rate on scrap iron to the Orient has more than tripled during the past six months.

**West Indies Trade Lost**

British Columbia lumber interests believed they could buy a big business in the British West Indies and sent a special sales commissioner there last winter. He found the market all right, even though it would have meant stiff competition from southern pine, but freight rates have gone so high since that time that the trade has been temporarily written off.

Japanese have been buying lumber heavily on this coast on a rising market. Berth lines are booked 90 days forward and space is reported extremely tight. Japanese importers have chartered European ships to relieve the situation.

**Australian Shipping**

Lumber and newsprint shippers to Australia have been forced to rely on tramp tonnage, and little of this has been offered. The charters are usually made on a time or lump sum basis so that the rate per thousand feet of lumber or ton of newsprint is not generally disclosed. However, the lumber rate is believed to be between $14 and $15, close to the top figures of 1927.

Wheat from Vancouver and other B. C. coast ports to the United Kingdom has not been active, and the rate is close to 26 shillings, about the same as two months ago. Lack of demand has held the figure down, but with Australian and Argentine supplies nearing exhaustion this situation may be changed.

On the South African run a higher conference tariff is announced for this month, under which lumber will be increased from $12 to $14. Full cargo business has been done at $19. Nearly all the business from the west coast in the South African market originates in British Columbia.

## Catelli Food Products Pays Half-yearly Dividend

From Our Own Correspondent

MONTREAL.—Catelli Food Products Ltd. has declared a dividend of 25 cents a share on the common stock for the six months period ending May 31, 1937, to shareholders of record May 21. In 1936 a single payment of 25 cents a share was made.

# Spotlight on Labor

Henry Ford's views on labor relations correspond to a considerable extent to those held by many Canadian industrial executives, it would appear from matching his "Fordisms" with the attitude of Canadian employers developed by labor unrest in the Dominion in recent weeks.

In his first definite, organized move to combat the drive of the C.I.O.'s auto workers union to corral Ford workers, the motor magnate is distributing to his U.S. employees thousands of cards carrying pithy expressions of his views on labor and unionism. As the C.I.O. is active around auto plants in the Windsor area, similar cards presumably will be placed later in the hands of Ford workers in Canada.

Concerned and perplexed by the current campaign to unionize industrial workers in Canada as well as the United States, Canadian employers have displayed much interest in Mr. Ford's declarations and in his method of getting them directly before employees. Some of the "Fordisms" are:

"A monopoly of jobs in this country is just as bad as a monopoly of bread.

"We have always made a better bargain for our men than any outsider could. We have never had to bargain against our men. And we don't expect to begin now.

"There is no mystery about the connection between corporation control and labor control. They are the two ends of the same rope.

"Our men ought to consider whether it is necessary to pay some outsider every month for the privilege of working at Ford's."

* * *

**Quebec Labor Bill**

Labor legislation persistently occupied the spotlight in the Quebec legislature during the past week. Chief interest attached to the revised version of the Collective Labor Agreements Act and to measures covering wage levels in the province for unorganized workers.

The new Collective Labor bill provides that agreements as to wages, hours and working conditions embodied in agreements between employers and groups of workers, may be made applicable by governmental decree to all the employers and employees in designated regions of the province. Such decrees may be issued after investigation by the Minister of Labor, following receipt of petitions from either party to such collective agreements. The central purpose of the bill thus corresponds in a general way to that of the Industrial Standards Act in Ontario.

The Quebec bill becomes particularly significant and interesting, however, in the power given the minister to grant or refuse approval of both the employer and labor groups covered by agreements; and to agree or refuse to make such agreements binding on other employers if the associations involved are not recognized. This power is implied in the bill's definition of "association" as: "a professional syndicate, a union or federation of syndicates, a group of employees or employers, bona fide or possessing the status of a civil person, having as object the study, defense and development of the economic, social and moral interests of its members, with respect for law and constituted authority."

The phase "having the status of a civil person" is interpreted to mean "incorporated." It would seem that the minister is thus free to determine (1) whether an organization is "bona fide" in a general sense, and (2) whether its objects conform with those cited. The wording of the clause is regarded in some quarters as being designed to give unquestioned status to the National Catholic Unions, whose declared objects correspond closely with those mentioned in the clause.

It is thought the minister could refuse to approve or make general collective agreements with unions other than the Catholic syndicates, unless he was satisfied as to their objects and methods. Thus employers could be encouraged to deal with the Catholic unions, if they wished working agreements to cover other plants in the region involved and thus be protected from competition of low wages or long hours.

* * *

**Move For Unity**

Dominion and district leaders of organized labor are seeking to restore unity to the ranks of the Hamilton Labor Council, recently split by first extension into Canada of the breach between the C.I.O. and the American Federation of Labor. Efforts are being made to prevent the Hamilton cleavage from spreading and throwing internationally-affiliated unionists in Canada into two hostile camps, as in the United States. In the meantime, John L. Lewis, C.I.O. head, has squelched a move by the International Ladies Garment Workers Union (a C.I.O. affiliate), to reunite the C.I.O. and A.F. of L. factions in the U.S.

Despite the desire of Canadian unionists to maintain a united front, the breach between the two groups in the U.S. appears to be growing steadily wider and to be on a permanent basis. Thus employers in mass production industries on both sides of the border face the prospect that unrest from the aggressive organizing campaigns of the C.I.O. will be intensified by competitive drives in the same industries by A.F. of L. units.

* * *

**Strike Fever**

The labor organizing and strike fever spread to the Maritimes during the past 10 days. At Saint John, N.B., there were strikes of 300 workers at the McAvity brass foundry and 160 employees of the International Fertilizer Co. At Minto, N.B., coal miners organized by the United Mine Workers, core of the C.I.O. movement, were pressing for better wages and working conditions. At New Glasgow, N.S., steel workers were demanding early action on similar demands.

In Quebec, steel workers at Sorel went on strike for recognition of the National Catholic Union in which they had enrolled, and for wage improvements. In Ontario, strikes still in progress affected employees of Ontario Silknit, Ltd., Toronto; Circle Bar Hosiery plant at Kincardine; and at Windsor, of several metal product plants supplying the automobile industry.

# Loan Firms Adopt Merger

## Premier Trust Purchase of Security Loan Accepted by Shareholders

Unanimous approval to the merger of Premier Trust Co., Toronto, and Security Loan & Savings Co., St. Catharines, was given by shareholders of both companies. Meetings were held May 15, 1937.

Application is now being made to the Lieutenant-Governor-in-Council for Ontario and to the Treasury Board at Ottawa for formal approval of the merger. This is expected to take about a month, after which time the exchange of shares will take place.

Under the proposals adopted, shareholders of Security Loan & Savings Co. will have the option of accepting either of the following offers within 30 days of the date the agreement becomes effective:

(1) 1½ shares of Premier Trust stock for each share of Security Loan & Savings stock; fractional shares to be adjusted by payment in cash at the rate of $102 a share.

(2) $102 in cash and one-half share of Premier Trust stock for each share of Security Loan stock; fractional shares are to be adjusted in this case by the issue of one share of Premier Trust stock and the balance in cash at the rate of $102 a share.

Shareholders of Security Loan & Savings Co. will receive dividends at the rate of 5% up to the date of issuance of the new shares to which they are entitled.

## Lindsay and Co. Reports 23% Increase in Sales

From Our Own Correspondent

MONTREAL.—Sales of C. W. Lindsay & Co. for March and April, the first two months of the current fiscal year, exceeded a year ago by fully 23%, with the largest proportion on a cash basis, according to information given to the shareholders at the annual meeting.

If the current rate of improvement in the company's business continues, the directors would soon find themselves in a position to consider the matter of arrears on preferred dividends, according to a statement made to shareholders by Stanley Johnston, who presided at the meeting in the absence of the president, J. A. Hebert. No further reduction in funded debt is in contemplation, he added, as the increase in business will necessitate maintenance of working capital.

## Montreal Marginal Trade Registers Drop in April

From Our Own Correspondent

MONTREAL.—Marginal trading on the Montreal Stock Exchange declined in volume during April, judged by the collateral borrowings of member firms.

At the end of April collateral borrowings totalled $41.2 millions, a decrease of about $4.5 millions from the previous month when loans totalled $45.7 millions. At the end of April last year, borrowings amounted to only $19.4 millions.

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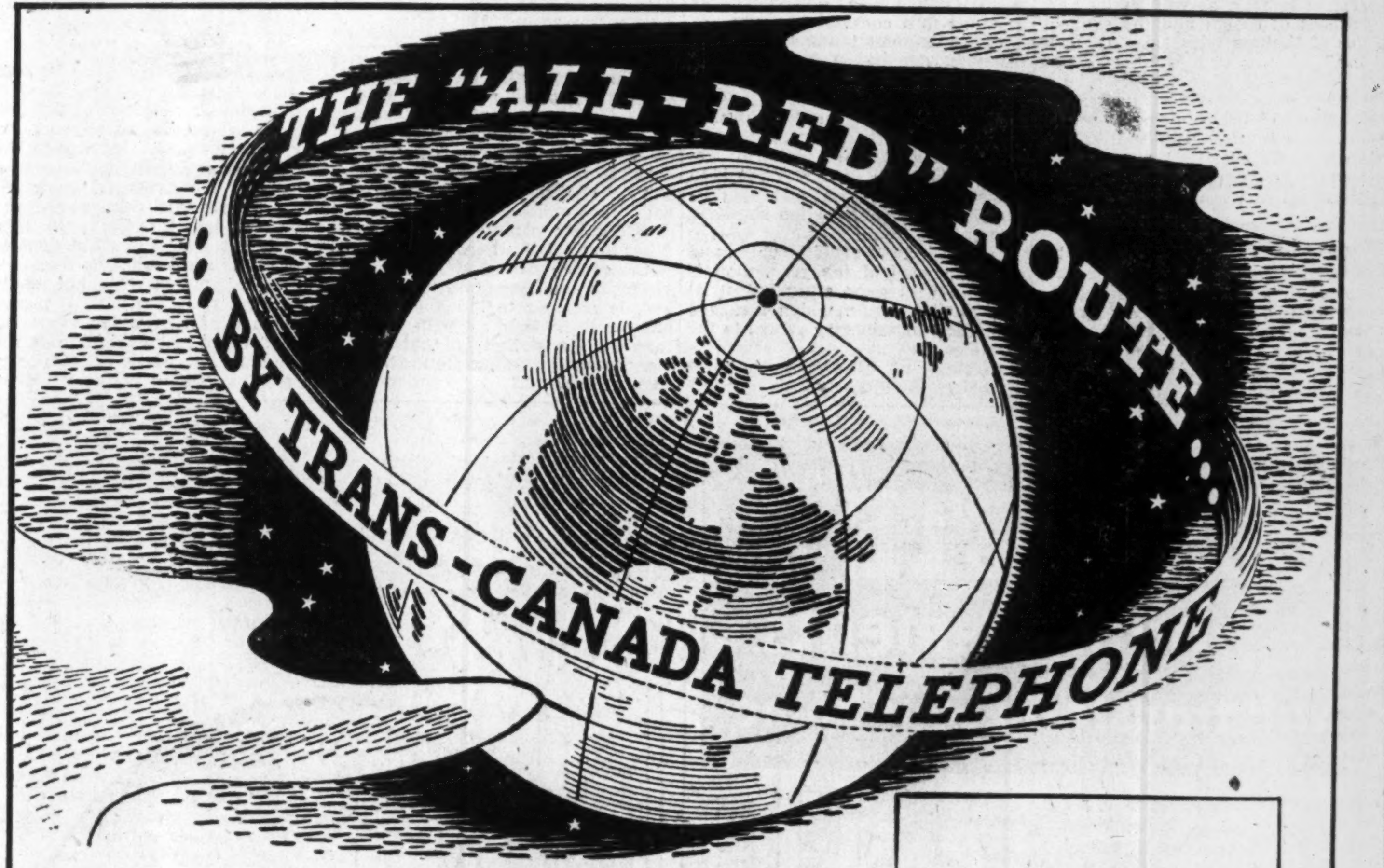
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